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- I, Gerrick M. Warrington, declare:
- I am a partner at Frandzel Robins Bloom & Csato, L.C., counsel of record for secured creditor Archway Broadway Loan SPE, LLC, a Delaware limited liability company, successor in interest to Archway Real Estate Income Fund I REIT, LLC fka Archway Real Estate Income Fund I SPE I, LLC ("Archway"). If called as a witness, I could and would competently testify to all facts within my personal knowledge, except where stated upon information and belief.
- 2. This declaration is submitted in support of Archway's Renewed Motion for Relief From Automatic Stay ("Motion") (Dkt. pending) filed in the lead case of those jointlyadministered debtors, Seaton Investments, LLC ("Seaton"), Colyton Investments, LLC ("Colyton"), Broadway Avenue Investments, LLC ("Broadway"), SLA Investments, LLC ("SLA"), and Negev Investments, LLC ("Negev" and collectively with Seaton, Colyton, Broadway and SLA, the "Corporate Debtors") and Alan Gomperts ("Mr. Gomperts"), Daniel Halevy ("Mr. Halevy"), and Susan Halevy ("Ms. Halevy" and collectively with Mr. Gomperts and Mr. Halevy, the "Individual Debtors" and collectively with the Corporate Debtors, the "Debtors").

### Compliance with Local Rule 9013-1(1)

- 3. The following section constitutes my certification and compliance with Local Rule 9013-1(*l*), which requires each party and attorney seeking renewed relief, that was previously denied, to present to the judge a declaration of a party or witness or certified statement of an attorney setting forth the material facts and circumstances surrounding each prior motion including the following:
  - a. date of the prior motion: October 8, 2024 (date of filing)
  - b. identity of the judge to whom the prior motion was made: Judge Zurzolo
  - ruling, decision or order on the prior motion: denied (see Dkt. 274) c.
- d. new or different facts and circumstances claimed to exist, which either did not exist or were not shown upon the prior motion: see below.
- new or different law or legal precedent claimed to exist, which either did e. not exist or were not shown upon the prior motion: not applicable.

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### The Court denied Archway's prior Motion for Relief from Stay.

4. On October 29, 2024, I appeared in person at the hearing on Archway's original Motion for Relief from Stay. At that time, my recollection was that the Court indicated that it would have granted the Original Motion until it saw the Lease and Loan Motions. Later, I requested the transcript of the hearing, which I have now reviewed and which confirms my recollection. A true and correct copy of the transcript is attached hereto as Exhibit 9.

#### **Zenith**

5. On November 1, 2024, I searched the California Secretary of State's website for the name "Zenith Healthcare Management" and "Broadway Community Care Centers" and different versions of those names. The results of those searches reflected no "hits" or that no such entities are registered in California.

#### Steve Bombola

- 6. On November 1, 2024, I searched Google for the name "Steve Bombola." The results of that search produced various "hits."
- 7. One such hit was a CNHI News article dated October 12, 2021, written by Janelle Stecklein and Renee Fite entitled, With investment from governor, Adair County business to create jobs, expand operations, which I printed to PDF. A true and correct copy of that PDF is attached as Exhibit 10.
- 8. Another hit revealed references to the chapter 11 bankruptcy cases of CSR Worldwide OK, Inc. ("CSR") and its affiliate, CSR-OK Real Estate Holding Company, LLC ("CSR-OK" and together with CSR, the "CSR Debtors"), filed in the United States Bankruptcy Court for the Eastern District of Oklahoma, case numbers 23-80391 and 23-80390, respectively. I went to PACER and printed docket number 1 from CSR's case, a true and correct copy of which is attached as Exhibit 11.
- 9. Another hit revealed a federal receivership action over CSR pending in the United States District Court for the Eastern District of Oklahoma. I went to PACER and printed docket numbers 3, 71, and 84, which are a Notice of Removal, a Contempt Motion against among others

Case|2:24-bk-12079-VZ

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Doc 298-3

copies of these documents are attached as **Exhibits 12–14**.

Declaration of Gerrick Warrington

Filed 11/19/24

Mr. Bombola, and a Contempt Order against, among others, Mr. Bombola. True and correct

The DMB Fund

Entered 11/19/24 16:53:28

Page 4 of 227

Frandzel Robins Bloom & Csato, L.C. 1000 WILSHIRE BOULEVARD, NINETEENTH FLOOR

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000 WILSHIRE BOULEV.	LOS ANGELES, CALIF	(222) 8

	17.	On November 1, 2024, I searched Google for the name "Ahron Stock," and found a
referenc	e to a	civil judgment against him. I had my paralegal pull the judgment, a true and correct
copy of	which	is attached as Exhibit 22.

### **Honor Enterprise Funding**

- 18. On November 1, 2024, I searched the California Secretary of State's website for the name "Honor Enterprise Funding," and different versions of that name. The results of those searches reflected no "hits" or that no such entities are registered in California.
- 19. I then searched Google and found an Arizona entity on Arizona's Secretary of State's website. I printed the Articles of Incorporation and most recent Statement of Information, true and correct copies of which are attached, respectively, as Exhibits 23 and 24.

#### Kirk J. Gill

- 20. On November 1, 2024, I searched Google for "Kirk Gill," and found a Notice of Intent to Deny Securities Salesperson License from the State of Ohio, Department of Commerce. I then went to Westlaw and printed that document to PDF, a true and correct coy of which is attached hereto as Exhibit 25.
- 21. I then searched the website for FINRA, the Financial Industry Regulatory Authority, for the name "Kirk Gill." That search resulted in several "hits," which I printed to PDF. A true and correct copy of that PDF is attached as **Exhibit 26**.

### Archway Opposes Lease and Loan Motions; Issues Discovery

- 22. On November 5, 2024, Archway filed opposition to the Lease and Loan Motions, pointing out the above problems. See Dkts. 279, 280.
- 23. Archway also served discovery that same day, including document requests to Broadway and subpoenas to the Proposed Tenants and DIP Lender.
- 24. Efforts to serve the Proposed Tenants and DIP Lender have failed, as set forth in the accompanying declarations of the process server, true and correct copies of which are attached hereto as Exhibits 27–30.

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### Broadway's Counsel Confirms What Was Known and Not Known.

- 25. In the morning of November 12, 2024, the deadline for Broadway to file its replies in support of the Lease and Loan Motions, I spoke with Mr. Derrick Talerico, Broadway's counsel of record, on the phone.
- 26. During that call, Mr. Talerico told me that he and Broadway's manager, Mr. Gomperts, had actually learned about Mr. Schwarcz's problematic past about a month ago (which would be prior to Broadway's filing the Lease and Loan Motions).
- 27. Mr. Talerico explained that when they learned about Mr. Schwarcz's problematic past, they had him "remove himself" as an officer of DMB.
- 28. Mr. Talerico went on to explain that, although he and Mr. Gomperts knew about Mr. Schwarcz, they did not know about Mr. Bombola's misdeeds. He said that was a surprise to them.
- 29. After my call with Mr. Talerico, I checked the records of the California Secretary of State, which reflect that on November 5, 2024, at 9:11 a.m. (prior to Archway filing its Lease Opposition, which was filed at around 5:00 p.m. that day), a Statement of Information was filed that removed Mr. Schwarcz and replaced him with Judy Cox as CEO. A true and correct copy of that Statement of Information is attached as Exhibit 31.

### **Broadway Withdraws the Lease and Loan Motions**

30. Subsequently, on November 12, 2024, Broadway withdrew both the Lease and Loan Motions. See Dkts. 292, 293.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this Declaration was executed on this 19th day of November, 2024, at Los Angeles, California.

> /s/ Gerrick M. Warrington Gerrick M. Warrington

# EXHIBIT 9

### UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA LOS ANGELES DIVISION

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CASE NO: 2:24-bk-12079-VZ
IN RE:
                              )
                                   CHAPTER 11
SEATON INVESTMENTS, LLC,
                                   Los Angeles, California
                                   Tuesday, October 29, 2024
          Debtor.
                                   10:30 a.m.
JOINTLY ADMINISTERED WITH:
2:24-bk-12074-VZ (ALAN GOMPERTS);
2:24-bk-12075-VZ (DANIEL HALEVY);
2:24-bk-12076-VZ (SUSAN HALEVY);
2:24-bk-12080-VZ (COLYTON INVESTMENTS, LLC);
2:24-bk-12081-VZ (BROADWAY AVENUE INVESTMENTS, LLC);
2:24-bk-12082-VZ (SLA INVESTMENTS, LLC);
2:24-bk-12091-VZ (NEGEV INVESTMENTS, LLC)
AFFECTS: BROADWAY AVENUE INVESTMENTS, LLC
     #2.00 MOTION FOR RELIEF FROM STAY [E-F] [DKT.NO.213]
```

BEFORE THE HONORABLE VINCENT P. ZURZOLO, UNITED STATES BANKRUPTCY JUDGE

APPEARANCES: See Page 2

Court Recorder [ECRO]: Shemainee Carranza

855 460-9641

Transcribed by: Exceptional Reporting Services, Inc.

P.O. Box 8365

Corpus Christi, TX 78468

361 949-2988

Proceedings recorded by electronic sound recording; transcript produced by transcription service.

Declaration of Gerrick Warrington Page 9 of 227

**APPEARANCES:** 

For Debtors: DERRICK TALERICO, ESQ.

Weintraub Zolkin Talerico & Selth

11766 Wilshire Boulevard

Suite 730

Los Angeles, CA 90025

310-207-1494

Also present: ALAN GOMPERTS

RYAN COY, ESQ.

Saul Ewing

1888 Century Park East

Suite 1500

Los Angeles, CA 90067

310-255-6168

For Creditors: GERRICK WARRINGTON, ESQ.

PAIGE S. POUPART, ESQ.

Frandzel Robins Bloom & Csato

1000 Wilshire Boulevard

19th Floor

Los Angeles, CA 90017

TANYA BEHNAM, ESQ.

Polsinelli

2049 Century Park East

Suite 2900

Los Angeles, CA 90067

310-556-1801

EXCEPTIONAL REPORTING SERVICES, INC

1	Los Angeles, California; Tuesday, October 29, 2024; 10:35 a.m.
2	00
3	THE COURT: Number 2 on the 10:30 calendar is Archway
4	Broadway Loan SPE versus Seaton Investments and Related
5	Debtors.
6	May I have an appearance on behalf of the moving
7	party first?
8	MR. WARRINGTON: Good morning, Your Honor. Gerrick
9	Warrington of Frandzel Robins Bloom and Csato on behalf of
10	Archway Broadway Loan SPE, LLC, the movant. I'm here with my
11	associate Paige Poupart.
12	THE COURT: Okay, good morning.
13	Okay. On behalf of the respondents, please?
14	MR. TALERICO: Good morning, Your Honor. Derrick
15	Talerico on behalf of Debtor Broadway and also with me in court
16	is Alan Gomperts, the debtor's principal.
17	THE COURT: Okay, good morning.
18	MR. GOMPERTS: Good morning.
19	THE COURT: And let's see. Do we have an appearance
20	on behalf of Korth Direct Mortgage?
21	(No audible response)
22	Recorder is that -
23	MS. BEHNAM: Good morning, Your Honor.
24	THE COURT: There we go. Go ahead, Counsel.
25	MS. BEHNAM: Good morning, Your Honor. Tanya Behnam

MR. TALERICO: -- just to highlight three -- well,
there were three grounds on which the motion was brought. And
on D-1 for cause, bad faith, we don't believe there's really -there is no bad faith at all. The main three points were that
there were transfers of property by Mr. Gomperts and by Sue
Halevy prior to the bankruptcy. Those properties were
transferred in both cases to wholly-owned LLCs, not away from
or hidden from creditors. And none of those properties were
collateral of Archway.

In the case of Mr. Gomperts' three properties, those transfers were made on advice of CPA for tax purposes. It turned out not to be of any benefit and they were transferred back to his name prior to the bankruptcy.

In the case of Sue Halevy, she still owns -- wholly owns the LLC to which that property was transferred which was not collateral.

The other third ground that seemed to be a big point for bad faith was the failure of this debtor, Broadway, to make a capital call prepetition for its members to infuse equity into the debtor in order to pay creditor claims. And that is accurate in that no capital call was made but as we point out in the papers, that was a term in the operating agreement, agreement among the members, about sharing costs and investment when those calls were made. It was not a (inaudible) fiduciary duty that was breached for the benefit of creditors.

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On D-2, whether there is equity in the property and whether there is a -- whether the property is necessary for an effective reorganization, we all agree there's no equity in the property.

As to whether the property is necessary for the reorganization, as Your Honor has probably seen and I know Your Honor has seen because of the shortened notice papers that were filed last week, we understand the reasons why those were denied, we want to put forth to demonstrate to the Court that the reorganization that is in process is not just some fantasy. It is very real and very now. Signed lease for 15 years, DIP loan commitment for four million dollars that doesn't prime anybody. Those papers have now been refiled, re-noticed on regular notice to be heard by this court on the 19th of November. Those things don't need to wait for a plan, we're ready to go now. Four million dollars into the debtor, 15-year long-term lease. That will assuredly allow for a plan to be confirmed on fair and reasonable terms based on the DIP money coming in and the income to be generated by the long-term lease.

And then finally on the single-asset real estate issue, in this we look mostly to our -- what occurred at the status conference where dates were set. And arguably there was -- admittedly there was some issue and discussion amongst Debtor's counsel of what was required following that hearing.

1	And looking back at the timing of the discussions
2	there, what seemed to only make sense was that the Court did
3	not expect and was not requiring a plan of disclosure statement
4	to be filed within the 90-day single asset real estate
5	restriction. Reason being follow the discussion from the
6	hearing, Mr. Shechtman who represents the individual debtors,
7	at some point towards the end of the hearing, asked Your Honor
8	for clarification to be clear.
9	The Court wants and this is a quote:
10	"The Court wants the hearings on claim objections to
11	occur before confirmation of the plan or before
12	approval of the disclosure statement before we file
13	the disclosure statement."
14	And the Court's response was:
15	"To me the disclosure statement makes much more sense
16	and much easier for creditors to understand when we
17	know what the allowed claims are."
18	And following on that the Court indicated:
19	"So it makes much more sense in reality, in my
20	experience, that we know what the claims are before
21	you prepare a disclosure statement, before it's
22	prepared.
23	"And in these cases you're going to be using my
24	mandatory form, combined disclosure statement and
25	plan."

1	So looking back on that and reflecting on it, it seem
2	to be there was actually a conclusion at that hearing that from
3	the Court this is the schedule we are to follow. We prepare a
4	plan of disclosure statement after the hearing if there are
5	any on claim objections. So that is what we followed and
6	that's we're prepared to follow, keeping the schedule to
7	file our plan of disclosure statement timely for the schedule
8	that's set, disclosure statement hearing on December 11th which
9	requires us to file our plan of disclosure statement jointly in
10	two days. So that is how the debtors have proceeded.
11	And I have no further comments at this point.
12	THE COURT: Okay, thanks a lot.
13	MR. TALERICO: Thank you.
14	THE COURT: Ms. Behnam, do you wish to be heard?
15	MS. BEHNAM: No, Your Honor, thank you.
16	THE COURT: Mr. Coy, do you wish to be heard?
17	MR. COY: I have nothing in addition to what
18	Mr. Talerico said.
19	THE COURT: Okay, thanks.
20	Okay. Mr. Warrington, do you wish to make a reply?
21	MR. WARRINGTON: Thank you, Your Honor.
22	I think everything that was raised by Mr. Talerico
23	was addressed in our reply and moving paper so I have nothing
24	to add.
25	THE COURT: Okay, thanks a lot.

Clearly whoever drafted that language either it was drafted by counsel for secured creditors and lobbyists for secured creditors or it was assisted by those folks. But they didn't think it through very carefully.

There are obviously options then so debtors in that circumstance can either commence payments, they can ask to extend the deadline, or they can file a plan.

A plan was filed here timely. Is it the plan that debtors are likely to pursue? No. But it was filed. So it satisfied the mechanical requirements of D-3.

With regards to attempting to read the tea leaves of my status conference order, I offered this as advice. I tried to precise and I tried to be inclusive of everything I mean when I say "This is the deadline and this is what I'm doing." So if you are asked -- if one were to ask me, "Are you extending the deadline under 362(d)(3)?" Then I would have addressed that question and said no. And I wasn't. So I just want to be clear as we go forward in our lives. That's not what I mean to do when I set deadlines at a status conference in a Chapter 11 case.

So fails under D-3.

D-1. D-1, the moving party is arguing that there is cause. We can include the two-word anti-honorific "bad faith" because the debtors transferred properties beforehand and also because the debtors didn't turn to their equity infusers and

- say "give us more money to pay creditors". I imagine that if
  the latter were an instance of bad faith, that a large
  percentage of Chapter 11 cases have been filed in bad faith in
  this country. So I don't find that to be an instance of bad
  faith.
  - Transfers? When you hear the word "transfers" of property before bankruptcy, it definitely raises a red flag and one needs to look at it carefully. I have looked at the evidence carefully. I do not see that these transfers were done with the purpose of evading scrutiny of the bankruptcy process, which is when you get down to it, that's what cause for bad faith related to transfers of property is about. That's not the case here.
- So I find the motion fails under D-1.
- D-2. As asserted by counsel for the respondent,
  nobody is arguing equity so there is no equity. Burden shifts
  to the debtor.

And I have to say, very rare -- and we're past the four months of the first four months of the case so the burden shifts. The Supreme Court has said the first four months you get a breathing spell. And the Supreme Court has also been very helpful in defining what that the second leg of 362(d)(2) means; i.e. necessary for an effective reorganization. If one were to say that that means only that the property is required or needed by the debtor, well that's almost always true. So

1	that's not what that means. The Supreme Court has made it
2	plain it means that a feasible reorganization can be mounted
3	within a reasonable period of time. And I think that's almost
4	a direct quote from Timbers of Inwood.
5	So before I received the application for the order
6	shortening time on approval of the financing arrangement, the
7	debtors were at a loss on that element but they have shown me
8	that there is a feasible reorganization that can be mounted
9	within a reasonable period of time. Does that mean that the
10	plan will be confirmed? I don't know. Maybe not. But the
11	point is they have to show that there is something that can be
12	mounted and it's feasible and within a reasonable time and
13	they've done that.
14	So the motion is denied.
15	My findings of fact and conclusions of law are on the
16	record. Please file a very simple propose lodged lodge a
17	very simple proposed order denying the motion without
18	prejudice.
19	(Attorneys thank the Court)
20	Mr. Warrington?
21	MR. WARRINGTON: Your Honor, may I be heard briefly
22	on D-3?
23	THE COURT: No.
24	MR. WARRINGTON: There's an error in the dates.
25	THE COURT: You can pursue whatever remedy you'd

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    like.
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               MR. WARRINGTON: I appreciate that, Your Honor.
 3
               THE COURT: Okay, thanks a lot.
 4
               MR. WARRINGTON: Thank you.
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          (Proceeding adjourned at 10:49 a.m.)
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### **CERTIFICATION**

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

Join I Judan

November 5, 2024

Signed

Dated

TONI HUDSON, TRANSCRIBER

# EXHIBIT 10

https://www.cnhinews.com/article\_a20ee36c-2b95-11ec-8222-5ff3e0eb549a.html

## With investment from governor, Adair County business to create jobs, expand operations

By Janelle Stecklein and Renee Fite/ CNHI News Oct 12, 2021





Brigitte Beavers
Renee Fite/ The Stilwell Democrat Journal

WATTS, Okla. — Oklahoma's governor has invested \$500,000 from a discretionary business recruitment account to help a fledgling manufacturing facility bolster production and increase employment opportunities for residents living in one of the state's poorest counties.

11/3/24, 5:0 Case 2:24-bk-12070 to 298 and File to 11/19/24s to Entered, 11/19/24a16i5 Bi28ev Desc Declaration of Gerrick Warrington. Page 24 of 227 Gov. Kevin Stitt awarded the funds from the state's Quick Action Closing Fund to a plastic pellet manufacturer that last year purchased a shuttered 59,000-square-foot plant and some of the remaining machinery inside. The plant, located about 200 miles northeast of Oklahoma City, sits on about 60 acres.

In return, CSR Worldwide OK Inc. must create 45 new direct jobs in Watts with an average wage of at least \$34,385 per year. The company must maintain those jobs for least six full calendar quarters by Dec. 31, 2028, according to the contract obtained by CNHI Oklahoma through an open records request.

The projected public benefit of the project includes 60 new jobs with an average salary of \$34,423 and an overall capital investment of \$7.2 million, according to the contract.

"This money was a godsend," CSR President Steven Bombola said. "It came at the right time, the right amount. What that money has enabled us to do was build a foundation, and then from there be able to increase production (and) hire people."

Bombola said they used the funds to order some additional machinery and hire and retain about eight employees. He said that CSR also received a tax credit from an economic development corporation — independent of the state — that awards federal tax dollars to companies that create jobs in poor, rural counties.

He said the investment allowed the company, which has plants in Texas and Nebraska, to expedite processes that would normally take a year.

The company recycles plastic waste into pellets, which are then sold to customers who make items like outdoor decking furniture, lumber and roofing materials. Companies are buying the product as fast they can make it, he said.

He said the plant currently runs 24 hours, five days a week, but will start operating 24/7 when the machinery arrives in Oklahoma. Like many other products, CSR's machinery has faced shipping delays, but should be in Oklahoma within the next few weeks, Bombola said.

Once production ramps up, CSR hopes to triple the number of people it employs in Watts, potentially creating 45 jobs. They currently employ slightly more than a dozen people.

11/3/24, 5:0 Case 2:24-bk-12070 to 298 and they selected the Adair County town because it's located in the middle of their suppliers and their customers. The area has proven to have a reliable workforce and the support of the Cherokee Nation, he said.

Oklahoma also has "the most business-friendly environment," Bombola said.

"We were just dumbfounded," he said. "Why isn't every state like this? Wanting to bring in manufacturing, wanting to bring in hands-on type labor, wanting to improve, wanting to grow. It's just amazing, just amazing."

Carly Atchison, a spokeswoman for Stitt, said that "per the contract, the investment was made to provide dozens of good-paying jobs at a manufacturing facility in rural Oklahoma."

"One of Oklahoma's most important business sectors is manufacturing, and thanks to Gov. Stitt's vision to make Oklahoma the best state in the nation for business and his commitment to keep our low-tax, low-cost environment, more manufacturers than ever before are eyeing Oklahoma while existing companies are choosing to expand right here in state," she added.

The Governor's Quick Action Closing Fund, created by the Legislature in 2011, contains millions in legislatively appropriated funds that Oklahoma governors can spend at their discretion to help attract and retain high-impact businesses that provide jobs and the potential for economic growth.

Amy Blackburn, a Department of Commerce spokeswoman, said the closing fund expenditures are made at the governor's discretion, but "a significant amount of research" typically occurs first to ensure the expenditure will have a positive impact on the state.

Adair County Commissioner Larry Wood, whose district includes Watts, said any business that brings 60 jobs to the area is going to benefit the surrounding areas. He said if CSR hires 40 people, they'll be the largest employer in town.

"Adair County needs something like that," he said. "Watts needs something like that. Watts used to be a booming little town. (It's) kind of gone by the wayside. But with a new waterpark going in and CSR coming in, there's going to be jobs that are readily available, I think, for the people in Adair County. So it's a good deal."

Wood also serves as the chair of the Eastern Oklahoma Development District, which is involved in different economic projects in seven counties. The group is not involved with the CSR project.

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11/3/24, 5:0 Case 2:24-bk-12070 http://destriperc298v3nor.Filedc111/19/24s to Entered. 11/19/24a166:58:28ewDesc Declaration of Gerrick Warrington Page 26 of 227 Construction is also underway in Watts on a 30-acre whitewater park located on the Oklahoma-Arkansas border. Construction on the \$33 million facility is expected to wrap up in 2023. The facility is expected to draw 85,000 visitors a year.

"I think it's great," said Brigitte Beavers, Watts town clerk. "Bringing more jobs to Watts is just what we need. I believe since the (waterpark), there will be even more things coming in. Hopefully it will be a booming town just like way back when."

Janelle Stecklein covers the Oklahoma Statehouse for CNHI's newspapers and websites. Reach her at <u>jstecklein@cnhinews.com</u>.

Janelle Stecklein

# EXHIBIT 11

### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 28 of 227

Fill in this information to identify the case:	
United States Bankruptcy Court for the:	
Eastern District of Oklahoma	
Case number (if known): Chapter11	Check if this is an amended filing
Official Form 201	

### Official Form 201

### Voluntary Petition for Non-Individuals Filing for Bankruptcy

06/22

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, Instructions for Bankruptcy Forms for Non-Individuals, is available.

1. Debtor's name	CSR Worldwide OK, Inc.	
All other names debtor used in the last 8 years     Include any assumed names, trade names, and doing busines as names	ss	
Debtor's federal Employer Identification Number (EIN)	8 5 - 1 6 0 6 8 9 7	
4. Debtor's address	Principal place of business	Mailing address, if different from principal place of business
	473617 E 610 Rd Number Street	Number Street
	<u>Watts, OK 74964-6512</u> City State ZIP Code	P.O. Box
	Sily State 21 Code	City State ZIP Code
	<u>Adair</u> County	Location of principal assets, if different from principal place of business
		Number Street
		City State ZIP Code
5. Debtor's website (URL)		
6. Type of debtor	☑ Corporation (including Limited Liability Company (L	.LC) and Limited Liability Partnership (LLP))
	☐ Partnership (excluding LLP)	
	Other. Specify:	

GW-028

### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 29 of 227

Debtor	CSR Worldwide OK, Inc.	Case number (if known)
Name 7. Describe debtor's business		A. Check one:  Health Care Business (as defined in 11 U.S.C. § 101(27A))  Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))  Railroad (as defined in 11 U.S.C. § 101(44))  Stockbroker (as defined in 11 U.S.C. § 101(53A))  Commodity Broker (as defined in 11 U.S.C. § 101(6))  Clearing Bank (as defined in 11 U.S.C. § 781(3))
		B. Check all that apply:  Tax-exempt entity (as described in 26 U.S.C. §501)
		Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
		Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))
		C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <a href="http://www.uscourts.gov/four-digit-national-association-naics-codes">http://www.uscourts.gov/four-digit-national-association-naics-codes</a> .
A de deb elector deb	der which chapter of the inkruptcy Code is the btor filing?  ebtor who is a "small business itor" must check the first subbox. A stor as defined in § 1182(1) who its to proceed under subchapter V hapter 11 (whether or not the itor is a "small business debtor") at check the second sub-box	Check one:  Chapter 7  Chapter 9  Chapter 11. Check all that apply:  The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$3,024,725. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).  The debtor is a debtor as defined in 11 U.S.C. § 1182(1), its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$7,500,000, and it chooses to proceed under Subchapter V of Chapter 11. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).  A plan is being filed with this petition.  Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).  The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.  The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
by	ere prior bankruptcy cases filed or against the debtor within the st 8 years?	☐ Chapter 12  ☐ No ☐ Yes. District When Case number
	ore than 2 cases, attach a arate list.	District When Case number
or or List	e any bankruptcy cases pending being filed by a business partner an affiliate of the debtor? all cases. If more than 1, attach a arate list.	Ves. Debtor Relationship District When
30p		Case number if known

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Debtor	CSR Worldwide OK, Inc.		Case number (if known)
	Name		
	ny is the case filed in <i>this</i> strict?	Check all that apply:  Debtor has had its domicile immediately preceding the district.	e, principal place of business, or principal assets in this district for 180 days date of this petition or for a longer part of such 180 days than in any other
		☑ A bankruptcy case concerr	ning debtor's affiliate, general partner, or partnership is pending in this district.
12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?		✓ No ☐ Yes. Answer below for ea Why does the prop	ach property that needs immediate attention. Attach additional sheets if needed.  erty need immediate attention? (Check all that apply.)  leged to pose a threat of imminent and identifiable hazard to public health or safety.
		It includes peris (for example, liv options).  Other	chysically secured or protected from the weather.  Schable goods or assets that could quickly deteriorate or lose value without attention vestock, seasonal goods, meat, dairy, produce, or securities-related assets or other  rty?  Number Street
		Is the property insurance  Yes. Insurance Contact Phone	ee agency
	Statistical and administra	ative information	
13	B. Debtor's estimation of available funds?		distribution to unsecured creditors. penses are paid, no funds will be available for distribution to unsecured
14	I. Estimated number of creditors	☐ 1-49 <b>☑</b> 50-99 ☐ 100-199 ☐ 200-999	☐ 1,000-5,000 ☐ 5,001-10,000 ☐ 25,001-50,000 ☐ 50,000-100,000 ☐ 10,001-25,000 ☐ More than 100,000
15	i. Estimated assets	\$0-\$50,000 \$50,001-\$100,000 \$100,001-\$500,000 \$500,001-\$1 million	\$1,000,001-\$10 million  \$500,000,001-\$1 billion  \$10,000,001-\$50 million  \$1,000,000,001-\$10 billion  \$10,000,000,001-\$50 billion  \$100,000,001-\$500 million  More than \$50 billion

GW-030

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ebtor <u>CSR Worldwide OK, Inc.</u>			Case number (if known)
Name			, , , , , , , , , , , , , , , , , , , ,
16. Estimated liabilities	□ \$0-\$50,000 □ \$50,001-\$100,000 □ \$100,001-\$500,000 □ \$500,001-\$1 million	\$1,000,001-\$10 mil \$10,000,001-\$50 m \$50,000,001-\$100 m \$100,000,001-\$500	### \$1,000,000,001-\$10 billion  #### ###############################
Request for Relief, Decla	ration, and Signatures		
VARNING Bankruptcy fraud is imprisonment for u	s a serious crime. Making a false sop to 20 years, or both. 18 U.S.C. §	tatement in connection with a § 152, 1341, 1519, and 3571	bankruptcy case can result in fines up to \$500,000 or
17. Declaration and signature of authorized representative of debtor	petition.  I have been authorized  I have examined the ir and correct.	d to file this petition on behalf information in this petition and perjury that the foregoing is trues and any	have a reasonable belief that the information is true
18. Signature of attorney	Signature of attorney for do  Ron Brown Printed name  Brown Law Firm PC Firm name  715 S. Elgin Ave Number Street	Ron Brown ebtor	Date 06/06/2023  MM/ DD/ YYYY  OK 74120
	(918) 585-9500 Contact phone  16352 Bar number		State ZIP Code  ron@ronbrownlaw.com  Email address  OK  State

024611AC 02/08@856 2M24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Declaration of Gerrick Warrington Page 32 of 227 U.S. Corporation Income Tax Return OMB No. 1545-0123 For calendar year 2021 or tax year beginning Department of the Treasury Internal Revenue Service ▶ Go to www.irs.gov/Form1120 for instructions and the latest information. Check if: Employer identification number Consolidated return (attach Form 851) Life/nonlife consoli-dated return CSR WORLWIDE OK, INC Date incorporated **TYPE** Number, street, and room or suite no. If a P.O. box, see instructions. Personal holding co. (attach Sch. PH) OR 4121 NW 37TH STREET 01/01/2020 **PRINT** Personal service corp. see instructions)... Total assets (see instructions) City or town, state, or province, country, and ZIP or foreign postal code NE 68521 LINCOLN Schedule M-3 attached 11,591,025 E Check if: (1) Initial return (2) Final return (3) Name change Address change 770,315 1a Gross receipts or sales **b** Returns and allowances 770,315 169,315 c Balance. Subtract line 1b from line 1a Cost of goods sold (attach Form 1125-A) Gross profit. Subtract line 2 from line 1c 601,000 Dividends and inclusions (Schedule C, line 23) 4 4 60,312 5 Interest 6 ..... 7 Gross royalties 7 Capital gain net income (attach Schedule D (Form 1120)) Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797) 9 Other income (see instructions—attach statement) 10 10 661,312 11 Total income. Add lines 3 through 10 11 12 Compensation of officers (see instructions—attach Form 1125-E) 12 Salaries and wages (less employment credits) 476,139 13 13 instructions for limitations on deductions.) 616,310 14 Repairs and maintenance 14 15 15 Bad debts 138,460 16 Rents 16 111,115 Taxes and licenses 17 17 326,634 18 18 Interest (see instructions) Charitable contributions

Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562) 19 19 20 20 21 Depletion 1,281 22 Pension, profit-sharing, etc., plans 23 23 24 Employee benefit programs 24 25 25 Reserved for future use See 539,364 Other deductions (attach statement) See Stmt 26 2,209,303 Deductions 27 Total deductions. Add lines 12 through 26 27 Total deductions. Add lines 12 through 26

Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11 -1,547,99128 29a Net operating loss deduction (see instructions) b Special deductions (Schedule C, line 24) c Add lines 29a and 29b -1,547,99130 Taxable income. Subtract line 29c from line 28. See instructions 31 Total tax (Schedule J, Part I, line 11) Reserved for future use 32 32 Total payments and credits (Schedule J, Part III, line 23) 33 33 34 Estimated tax penalty. See instructions. Check if Form 2220 is attached 34 35 Amount owed. If line 33 is smaller than the total of lines 31 and 34, enter amount owed Overpayment. If line 33 is larger than the total of lines 31 and 34, enter amount overpaid 36 Enter amount from line 36 you want: Credited to 2022 estimated tax Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge shown below? See instructions. nd belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Sign PRESIDENT Here Signature of officer TROY BURGESS rint/Type preparer's nan Preparer's signature Check 02/08/23 Robert Lewicki **Paid** self-employed Dana F. Cole & Company LLP **Preparer** Firm's name Firm's EIN 1248 O St Ste 500 **Use Only** Firm's address 68508-1424 402-479-9300 Lincoln, NE For Paperwork Reduction Act Notice, see separate instructions. Form 1120 (2021) Entered 06/06/23 09:47:02 Filed 06/06/23 Case 23-80391 Doc 1 Desc Main GW-032

### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF OKLAHOMA

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CSR Worldwide, Inc.,

Case No.
Chapter 11 Sub V

Debtor.

### STATEMENT REGARDING CASH-FLOW STATEMENT REQUIRED UNDER 11 U.S.C. § 1116(1)

CSR Worldwide, Inc. ("**Debtor**") submits to the Court their statement regarding submission of a cash-flow statement as required under 11 U.S.C. § 1116(1). In support, Debtor shows the Court as follows:

- 1. Debtor filed a Voluntary Petition for Relief under Chapter 11 of the United States Bankruptcy Code on June 6, 2023, at which time an Order for Relief was entered by the Court.
- 2. Debtor manages its financial affairs under the authority of Title 11 of Chapter 11 of the United States Code.
- 3. 11 U.S.C. § 1116(1) requires a debtor-in-possession in a small business Chapter 11 case to file with the court within seven (7) days after the order for relief:
  - (A) its most recent balance sheet, statement of operations, cashflow statement, and Federal income tax return; or (B) a statement made under penalty of perjury that no balance sheet, statement of operations, or cash-flow statement has been prepared and no Federal tax return has been filed;<sup>1</sup>
- 4. As of the date of the filing of the petition in the above-styled bankruptcy case, Debtors have not completed or otherwise prepared a cash-flow statement.
  - 5. The Debtor's most recent Balance Sheet, Statement of Operations and Federal

<sup>&</sup>lt;sup>1</sup> 11 U.S.C. § 1116(1)(A)-(B).

Income Tax Return are attached to the Petition as required by statute.

DATED: June 6, 2023.

Respectfully submitted, **Brown Law Firm, P.C.**, by:

/s/ Ron D. Brown

Ron D. Brown, OBA #16352 R. Gavin Fouts, OBA #33738 715 S. Elgin Ave Tulsa, OK 74120 (918) 585-9500 (866) 552-4874 fax ron@ronbrownlaw.com gavin@ronbrownlaw.com Attorneys for the Debtor Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 35 of 227

7:32 AM

06/05/23 Accrual Basis

### CSRWorldwide OK, Inc. Balance Sheet

As of June 5, 2023

	Jun 5, 23
ASSETS Current Assets Checking/Savings	
Arvest #42091763 CSR Holdings Real Estate #0341 Frontier Bank #4510017499	-5,337.05 8,646.00 -13,428.76
Total Checking/Savings	-10,119.81
Accounts Receivable Accounts Receivable	1,255.10
Total Accounts Receivable	1,255.10
Other Current Assets Inventory Asset Undeposited Funds	111,771.38 14,000.00
<b>Total Other Current Assets</b>	125,771.38
Total Current Assets	116,906.67
Fixed Assets Furniture and Equipment 2020 Furniture & Equipment 2021 2022 Building	5,821,302.77 403,436.74 18,087.50 65,563.11
Total Furniture and Equipment	6,308,390.12
Total Fixed Assets	6,308,390.12
Other Assets Closing Costs Escrow Fees Lender Fee	566,607.00 41,941.07 65,250.00
Total Other Assets	673,798.07
TOTAL ASSETS	7,099,094.86
LIABILITIES & EQUITY Liabilities Current Liabilities Accounts Payable	
Accounts Payable	878,889.37
Total Accounts Payable Other Current Liabilities Bank of Hays LOC #5122 Blue Bridge Financial LLC	878,889.37 600,000.00 215,242.30
Hot Loan-Zahav Asset Manzahav Payroll Liabilities Federal Withholding Taxes Medicare Withholding Taxes Social Security WithholdinTaxes State Withholding Taxes	17,450.00 39,740.54 14,898.50 63,704.03 12,302.01
Total Payroll Liabilities	130,645.08
USDA Bank Of Hays #4879	5,288,688.92
Total Other Current Liabilities	6,252,026.30
Total Current Liabilities	7,130,915.67
Total Liabilities	7,130,915.67

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CSRWorldwide OK, Inc.

06/05/23 **Accrual Basis** 

**Balance Sheet** As of June 5, 2023

	Jun 5, 23
Equity	
Additional Paid-In Capital	150,000.00
Equity	1,478,076.51
Retained Earnings	-1,304,104.55
Net Income	-355,792.77
Total Equity	-31,820.81
TOTAL LIABILITIES & EQUITY	7,099,094.86

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6:21 PM 06/02/23 CSRWorldwide OK, Inc.

**Profit & Loss** 

**Accrual Basis** 

#### January through December 2022

	Jan - Dec 22
Ordinary Income/Expense	
Income Miscellaneous Income Professional Serv/Grant Income Sales	2,866.47 4,984.01
Rental Income Sales - Other	700.00 845,216.67
Total Sales	845,916.67
Scrap Metal Income	1,880.00
Total Income	855,647.15
Cost of Goods Sold Cost of Goods Sold Freight and Shipping Costs T-GOGS	118,079.59 124,866.29 22.93
Total COGS	242,968.81
Gross Profit	612,678.34
Expense Administrative Expenses Advertising and Promotion Automobile Expense Fuel,Gas	9,405.44 4,576.66 2,155.06
Total Automobile Expense	2,155.06
Bad Debt Bank Service Charges Building Expenses Dues and Subscriptions Electrical Expense Equipment Expense Insurance Expense Interest Expense Pacifica Interest Expense	3,611.65 3,143.94 -1,361,611.40 129.00 -238,815.39 -121,648.00 61,848.64
Interest Expense - Other	270,830.37
Total Interest Expense	330,770.37
Late Fees Meals and Entertainment Misc Expense Office Supplies Packaging Payroll Expenses Payroll Taxes	496.11 1,682.83 16,564.60 3,925.36 7,428.62
Payroll Expenses - Other	607,148.74
Total Payroll Expenses	727,342.65
Professional Fees Rent Expense Repairs and Maintenance Building Extruders grinders/shredders Repairs and Maintenance - Other	272,358.78 141,957.24 32,523.40 20,580.00 23,981.55 975,120.97
Total Repairs and Maintenance	1,052,205.92
Shop Supplies	97,769.13

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6:21 PM

CSRWorldwide OK, Inc.
Profit & Loss

06/02/23 Accrual Basis

January through December 2022

	Jan - Dec 22
Taxes	
Pacifica Taxes	6,000.00
Personal Property Taxes	0.00
Vehicles Taxes/Reg	710.18
Total Taxes	6,710.18
Travel Expense	56,999.99
Utilities	140,708.88
Total Expense	1,219,716.26
Net Ordinary Income	-607,037.92
Other Income/Expense Other Income	
Interest Income	90,468.00
Total Other Income	90,468.00
Net Other Income	90,468.00
Net Income	-516,569.92

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7:35 AM 06/05/23 CSRWorldwide OK, Inc.
Profit & Loss

January 1 through June 5, 2023

06/05/23 Accrual Basis

	Jan 1 - Jun 5, 23
Ordinary Income/Expense	
Income Miscellaneous Income Sales	2,591.34 430,864.68
Scrap Metal Income	153.00
Total Income	433,609.02
Cost of Goods Sold Cost of Goods Sold Freight and Shipping Costs	172,725.20 10,290.28
Total COGS	183,015.48
Gross Profit	250,593.54
Expense Administrative Expenses Advertising and Promotion Automobile Expense Fuel.Gas	16,000.00 329.00 430.30
Total Automobile Expense	430.30
·	
Bank Service Charges Cleaning Expense Computer and Internet Expenses Electrical Expense Equipment Expense Insurance Expense Interest Expense	4,865.38 82.00 318.51 11,016.00 1,031.63 2,174.12 26,285.48
Late Fees Legal Fees Meals and Entertainment Misc Expense Office Supplies Payroll Expenses	434.58 839.80 140.36 2,100.00 3,615.96
Payroll Taxes	42,978.02
Penalties Payroll Expenses - Other	150.30 194,728.55
Total Payroll Expenses	237,856.87
Payroll Expenses0 Piper Airplane Fuel Plant Maintenance Professional Fees Rent Expense Repairs and Maintenance	2,378.96 0.00 795.00 2,850.00 2,597.86
Building Extruders Yard Eq Repairs and Maintenance - Other	180.00 31,682.50 16,400.00 58,044.16
<b>Total Repairs and Maintenance</b>	106,306.66
Shop Supplies	27,242.30
Taxes Franchise Tax Taxes - Other	14,526.00 2,043.75
Total Taxes	16,569.75

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7:35 AM 06/05/23 CSRWorldwide OK, Inc.
Profit & Loss

Accrual Basis

January 1 through June 5, 2023

	Jan 1 - Jun 5, 23
Tools	437.10
Travel Expense	31,720.97
Utilities	107,967.72
Total Expense	606,386.31
Net Ordinary Income	-355,792.77
Net Income	-355,792.77

#### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 41 of 227

Fill in this inform	nation to identify the case:
Debtor name	CSR Worldwide OK, Inc.
United States B	Bankruptcy Court for the:
	Eastern District of Oklahoma
Case number (if	if known):

### Official Form 206A/B

### Schedule A/B: Assets — Real and Personal Property

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on Schedule G: Executory Contracts and Unexpired Leases (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct

the value of secured claims. See the instructions to understand the terms used in this form.				
Par	t 1: Cash and cash equivalents			
1.	Does the debtor have any cash or cash equivaled No. Go to Part 2.  ✓ Yes. Fill in the information below.	nts?		
	All cash or cash equivalents owned or controlled	d by the debtor		Current value of debtor's interest
2.	Cash on hand			
3.	Checking, savings, money market, or financial be Name of institution (bank or brokerage firm) 3.1 Arvest Bank-Overdrawn	rokerage accounts (Identify all)  Type of account  Checking account	Last 4 digits of account number	\$0.00
	3.2 Frontier Bank	Checking account	7499	\$1,263.63
	Other cash equivalents (Identify all)			<u> </u>
4.	None			
5.	Total of Part 1 Add lines 2 through 4 (including amounts on any a	additional sheets). Copy the total to	line 80.	\$1,263.63
Par	tt 2: Deposits and prepayments			
6.	Does the debtor have any deposits or prepayment.  No. Go to Part 3.  Yes. Fill in the information below.	nts?		
				Current value of debtor's interest
7.	Deposits, including security deposits and utility	deposits		
	Description, including name of holder of deposit			• • • • • • • • • • • • • • • • • • • •
	7.1 Ozark Electic			\$10,000.00

#### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 42 of 227

Debto	CSR Worldwide OK, Inc.	Case number (if known)	
	Name		
	7.2 Processing Technologies Int'l, LLC	_	\$187,000.00
	Boundary to the Management of the control of the co	<b>-</b>	
8.	Prepayments, including prepayments on executory contracts, leases, insurance, taxes, and Description, including name of holder of prepayment	rent	
	None		
9.	Total of Part 2		
	Add lines 7 through 8 (including amounts on any additional sheets). Copy the total to line 81.		\$197,000.00
Dor	t 2. Agggunta raggiyahla		
Pai	t 3: Accounts receivable		
40	December debter have any account and single-		
10.	Does the debtor have any accounts receivable? ☐ No. Go to Part 4.		
	✓ Yes. Fill in the information below.		
			Current value of debtor's
			interest
11.	Accounts Receivable		
	11a. 90 days old or less: \$1,255.10	= →	\$1,255.10
	11b. Over 90 days old: <b>_</b>	= →	
	face amount doubtful or uncollectible account		
12.	Total of Part 3		
	Current value on lines 11a + 11b = line 12. Copy the total to line 82.		<u>\$1,255.10</u>
Part	t 4: Investments		
ı aı	mivestificitis		
12	Does the debtor own any investments?		
13.	No. Go to Part 5.		
	✓ Yes. Fill in the information below.		
		aluation method used for	Current value of debtor's
	CI	urrent value	interest
14.	Mutual funds or publicly traded stocks not included in Part 1		
	Name of fund or stock:		
	None		
15.	Non-publicly traded stock and interests in incorporated and unincorporated		
	businesses, including any interest in an LLC, partnership, or joint venture  Name of fund or stock:  % of		
	Name of fund or stock: % of ownership:		

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Debtor	CSR Worldwide OK, Inc.			Case number (if known)	
	Name				
	95% membership interest (950 units) ir Estate Holding Company, LLC   Value i because liabilities exceed the assets. I provided on this non-filing entity is not a full disclosure for the entity	s computed at \$0 This information	100.00%		\$0.00
16.	Government bonds, corporate bonds, and oth instruments not included in Part 1	er negotiable and non-r	negotiable		
	Describe:				
	None				
17.	<b>Total of Part 4</b> Add lines 14 through 16 (including any addition	al sheets). Copy the tota	I to line 83.		\$0.00
Part	5: Inventory, excluding agriculture as:	sets			
18.	Does the debtor own any inventory (excluding ☐ No. Go to Part 6. ☐ Yes. Fill in the information below.	g agriculture assets)?			
	General description	Date of the last physical inventory	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
19.	Raw materials				
	19.1 Inventory	MM / DD / YYYY	(Unknown)		\$60,000.00
20.	Work in progress				
	None				
21.	Finished goods, including goods held for resa	ale			
	21.1 Inventory		\$111,771.38		\$80,000.00
		MM / DD / YYYY	<u> </u>		
22.	Other inventory or supplies				
	None				
23.	Total of Part 5 Add lines 19 through 22 (including any addition	al sheets). Copy the tota	I to line 84.		\$140,000.00
24.	Is any of the property listed in Part 5 perishab  ☑ No ☐ Yes	le?			
25.	Has any of the property listed in Part 5 been p  ☑ No ☐ Yes	urchased within 20 day	s before the bankruptcy	/ was filed?	

## Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 44 of 227

Debtor	CSR Worldwide OK, Inc.		Case number (if known)	
	Name			
26.	Has any of the property listed in Part 5 been appraised by a professio   ✓ No  ☐ Yes	nal within the last year	?	
Part	6: Farming and fishing-related assets (other than titled me	otor vehicles and la	and)	
27.	Does the debtor own or lease any farming and fishing-related assets of No. Go to Part 7.  ☐ Yes. Fill in the information below.	other than titled motor	vehicles and land)?	
	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
28.	Crops — either planted or harvested			
	None			
29.	Farm animals Examples: Livestock, poultry, farm-raised fish			
	None			
30.	Farm machinery and equipment (Other than titled motor vehicles)			
	None			
31.	Farm and fishing supplies, chemicals, and feed			
	None			
32.	Other farming and fishing-related property not already listed in Part 6			
	None			
33.	Total of Part 6			
	Add lines 28 through 32. Copy the total to line 85.			\$0.00
34.	Is the debtor a member of an agricultural cooperative?  ✓ No  ☐ Yes. Is any of the debtor's property stored at the cooperative?  ☐ No ☐ Yes			
35.	Has any of the property listed in Part 6 been purchased within 20 days  ✓ No  ✓ Yes	s before the bankruptc	y was filed?	
36.	Is a depreciation schedule available for any of the property listed in P ${\stackrel{\smile}{M}}_{No}$ ${\stackrel{\smile}{\square}}_{Yes}$	art 6?		

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Debtor	CSR Worldwide OK, Inc.		Case number (if known)	
	Name		,	
37.	Has any of the property listed in Part 6 been appraised by a profession ☑ No ☐ Yes	nal within the last year?	?	
Part	7: Office furniture, fixtures, and equipment; and collectible	es		
38.	Does the debtor own or lease any office furniture, fixtures, equipment ☐ No. Go to Part 8. ☑ Yes. Fill in the information below.			
	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39.	Office furniture			
	None			
40.	Office fixtures			
	None			
41.	Office equipment, including all computer equipment and communication systems equipment and software			
	Fixtures & Equipment leased from CSR-OK Real Estate 41.1 Holding Company, LLC	\$0.00		\$0.00
	Additional Page Total - See continuation page for additional entries			\$500,000.00
	<b>Collectibles</b> Examples: Antiques and figurines; paintings, prints or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles			
	None			
	<b>Total of Part 7</b> Add lines 39 through 42. Copy the total to line 86.			\$500,000.00
44.	Is a depreciation schedule available for any of the property listed in Pa $\sqrt[4]{N_0}$ $\square_{Yes}$	art 7?		
45.	Has any of the property listed in Part 7 been appraised by a profession   ✓ No  ☐ Yes	nal within the last year?	?	
Par <u>t</u>	8: Machinery, equipment, and vehicles			

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Debtor	CSR Worldwide OK, Inc.		Case number (if known).	
	Name			
46.	Does the debtor own or lease any machinery, equipment, or ve☐ No. Go to Part 9.  ✓ Yes. Fill in the information below.	hicles?		
	General description	Net book value of debtor's interest	Valuation method used for current value	Current value of debtor's interest
	Include year, make, model, and identification numbers (i.e., VIN, or N-number)	(Where available)		
47.	Automobiles, vans, trucks, motorcycles, trailers, and titled farn vehicles	n		
	47.1 <b>1997 Ford F-150</b>	(Unknown)		\$1,000.00
48.	Watercraft, trailers, motors, and related accessories Examples: Boats, trailers, motors, floating homes, personal watercraft, and f vessels			
	None			
49.	Aircraft and accessories			
	None			
50.	Other machinery, fixtures, and equipment (excluding farm mac and equipment)	hinery		
	None			
51.	<b>Total of Part 8</b> Add lines 47 through 50. Copy the total to line 87.			\$1,000.00
52.	is a depreciation schedule available for any of the property lists ${\bf M}_{No}$ ${\bf Q}_{Yes}$	ed in Part 8?		
53.	Has any of the property listed in Part 8 been appraised by a pro $\mathbf{M}_{No}$	ofessional within the last year'	?	
	□ <sub>Yes</sub>			
Part	9: Real Property			
54.	Does the debtor own or lease any real property? ☐ No. Go to Part 10. ☑ Yes. Fill in the information below.			
	General description Include street address or other description such as Assessor Parcel Number (APN), and type of property  Nature and exidebtor's interest property		Valuation method used for current value	Current value of debtor's interest
	(for example, acreage, factory, warehouse, apartment or office building), if available	(vviiere available)		
55.	Any building, other improved real estate, or land which the deb	otor owns or in which the debt	or has interest	

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Debtor	CSR Worldwide OK, Inc.			Case number (if known).	
	Name				
	Real property leased from CSR-OK Real Estate Holding Company, LLC 55.1 473617 E 610 Rd Watts, OK 74964-6512	Lease	\$0.00		\$0.00
EC	Total of Part 9				
36.	Add the current value on lines 55.1 through 55.3	and entries from any ad	ldition sheets. Copy the	total to line 88.	\$0.00
57.	Is a depreciation schedule available for any of $\mathbf{M}_{N0}$	the property listed in Pa	rt 9?		
	□ <sub>Yes</sub>				
58.	Has any of the property listed in Part 9 been ap ${rac{1}{2}}_{No}$ ${rac{1}{2}}_{Yes}$	praised by a profession	nal within the last year?	?	
	Tes				
Part	10: Intangibles and Intellectual Proper	ty			
59.	Does the debtor have any interests in intangible No. Go to Part 11.	es or intellectual proper	rty?		
	Yes. Fill in the information below.				
	General description		Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
60.	Patents, copyrights, trademarks, and trade sec	rets			
	Right to use protein processing patent of Burgess	of Troy Don	(Unknown)		\$5,000.00
61.	Internet domain names and websites				
	61.1 https//:csrwwink.com		(Unknown)		\$0.00
62.	Licenses, franchises, and royalties				
	None				
63.	Customer lists, mailing lists, or other compilati	ons			
	63.1 Recycling Customer List		(Unknown)		\$0.00
64.	Other intangibles, or intellectual property				
	None				
65.	Goodwill				
	None				
66.	<b>Total of Part 10</b> Add lines 60 through 65. Copy the total to line 89	<b>9</b> .			\$5,000.00

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Debto	r CSR Worldwide OK, Inc.	Case number (if known)
	Name	
67.	Do your lists or records include personally identifiable information of $\mathbf{Q}_{NO}$	customers? (as defined in 11 U.S.C. §§ 101(41A) and 107)
	□Yes	
68.	Is there an amortization or other similar schedule available for any of the $\cancel{\Delta}_{No}$ $\square_{Yes}$	ne property listed in Part 10?
69.	Has any of the property listed in Part 10 been appraised by a profession ${\stackrel{\frown}{\square}}_{No}$ ${\stackrel{\frown}{\square}}_{Yes}$	nal within the last year?
Part	t 11: All other assets	
70.	Does the debtor own any other assets that have not yet been reported	on this form?
	No. Go to Part 12.	
	Yes. Fill in the information below.	
		Current value of debtor's interest
71.	Notes receivable	
	Description (include name of obligor)	
	Promissory Note dated June 17, 2021 payable by CSR-Watts Investment Fund, LLC in the amount of 71.1 \$5,244,400	00 - \$0.00 =→ \$5,244,400.00
70	Towarfunds and unused not executing leases (NOLs)	
12.	Tax refunds and unused net operating losses (NOLs)  Description (for example, federal, state, local)	
	None	
73.	Interests in insurance policies or annuities	
	None	
74.	Causes of action against third parties (whether or not a lawsuit has been	en filed)
	Lawsuit in the United States District Court for the Eastern District of Oklahoma, Case No. 20-cv-474-RAW, against Oldcastle APG, Inc., Moistureshield, Inc. PPL Acquisition Group VII, LLC, Aaron Equipment Company, and William	<u>\$1,700,800.00</u>
	74.1 Hassles  Breach of Contract, Breach of Warranty of Description, Breach of Warranty of Fitness for a Particular Purpose, Breach of Warranty in Deed, Common Fraud, Constructive Fraud, Fraudulent Inducement, Tortious Interference with Contract, and Negligence	
	Amount Requested \$1,700,800.00	
75.	Other contingent and unliquidated claims or causes of action of every including counterclaims of the debtor and rights to set off claims	nature,

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Debto		Case number (if known)	
	Name		
	None		
76.	Trusts, equitable or future interests in property		
	None		
77.	Other property of any kind not already listed Examples: Season tickets, country club membership		
	Project Management Agreement with CSR-OK Real Estate 77.1 Holding Company	_	(Unknown)
78.	Total of Part 11		#0.045.000.00
	Add lines 71 through 77. Copy the total to line 90.	_	\$6,945,200.00
79.	Has any of the property listed in Part 11 been appraised by a professional within the $\mathbf{M}_{\mathrm{NO}}$	last year?	
	□Yes		

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Debtor CSR Worldwide OK, Inc. Case number (if known)

Name

Part 12: Summary

	Type of property	Current value of personal property		Current value of real property
80.	Cash, cash equivalents, and financial assets. Copy line 5, Part 1.	\$1,263.63		
81.	Deposits and prepayments. Copy line 9, Part 2.	\$197,000.00		
82.	Accounts receivable. Copy line 12, Part 3.	\$1,255.10		
83.	Investments. Copy line 17, Part 4.	\$0.00		
84.	Inventory. Copy line 23, Part 5.	\$140,000.00		
85.	Farming and fishing-related assets. Copy line 33, Part 6.	\$0.00		
86.	Office furniture, fixtures, and equipment; collectibles. <i>Copy line 43, Part 7.</i>	\$500,000.00		
87.	Machinery, equipment, and vehicles. Copy line 51, Part 8.	\$1,000.00		
88.	Real property. Copy line 56, Part 9		→	\$0.00
89.	Intangibles and intellectual property. Copy line 66, Part 10.	\$5,000.00		
90.	All other assets. Copy line 78, Part 11. +	\$6,945,200.00		
91.	<b>Total.</b> Add lines 80 through 90 for each column 91a.	\$7,790,718.73	<b>+</b> 91b.	\$0.00
92.	Total of all property on Schedule A/B. Lines 91a + 91b = 92			

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Debtor CSR Worldwide OK, Inc. Case number (if known)

Name

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
41. Office equipment - Continued			
41.2 PTi Model G6000 Extrusion Pelletizing System	(Unknown)		\$500,000.00

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Fill in this information to identify the case:						
Debtor name CSR Worldwide OK, Inc.						
United States Bankruptcy Court for the:	Eastern District of Oklahoma					
, ,	(State)		Check if this is an			
Case number (if known):		_	amended filing			
Official Form 206D						
Schedule D: Creditors \	Who Have Claims Secure	d hy Propert	V 12/15			
	Who have claims seedie	арутторст	<u>y</u> 12/15			
Be as complete and accurate as possible.						
<ol> <li>Do any creditors have claims secured by debte</li> <li>No. Check this box and submit page 1 of this</li> <li>Yes. Fill in all of the information below.</li> </ol>	tor's property? form to the court with debtor's other schedules. Debtor ha	as nothing else to report on	this form.			
Part 1: List Creditors Who Have Sec	ured Claims					
List in alphabetical order all creditors v	who have secured claims. If a creditor has more	Column A	Column B			
than one secured claim, list the creditor se		Amount of claim  Do not deduct the value of collateral.	Value of collateral that supports this claim			
2.1 Creditor's name	Describe debtor's property that is subject to a					
Bank of Hays	lien	\$5,660,945.66	\$2,343,318.73			
Creditor's mailing address	Accounts Receivable, Inventory, Inventory, Frontier Bank, Lawsuit in the United States					
Attn: Brandon Brough	District Court for the Eastern District of					
1000 West 27th	Oklahoma, Case No. 20-cv-474-RAW, against					
Hays, KS 67601	Oldcastle APG, Inc., Moistureshield, Inc. PPL Acquisition Group VII, LLC, Aaron Equipment					
	Company, and William Hassles, Arvest					
Creditor's email address, if known bprough@bankofhays.com	Bank-Overdrawn, PTi Model G6000 Extrusion Pelletizing System					
<u> </u>	Describe the lien					
Date debt was 6/17/2021 incurred						
Last 4 digits of 4 8 7 0						
account						
number						
Do multiple creditors have an interest						
in the same property?	_					
No	✓ Yes. Fill out Schedule H: Codebtors (Official Form 206H).					
creditor, and its relative priority.	As of the petition filing date, the claim is:					
For Accounts Receivable: 1) Zahav	Check all that apply.					
of Hays; For PTi Model G6000	<b>☑</b> Contingent					
Bank of Hays	<b>D</b> isputed					
Remarks: Amount is disputed because col	lateral owned by Cherokee Nation Business LLC w	as recovered.				
a Tarrista de la lace	Out was A facilities at the control of the control	<b>40.577.770.55</b>				
Additional	Column A, including the amounts from the	\$6,577,773.69				
Last 4 digits of account number  Do multiple creditors have an interest in the same property?  No Yes. Specify each creditor, including this creditor, and its relative priority.  For Accounts Receivable: 1) Zahav Asset Management, LLC; 2) Bank of Hays; For PTi Model G6000  Extrusion Pelletizing System: 1)  Blue Bridge Financial, LLC; 2)  Bank of Hays  Remarks:Amount is disputed because col	As of the petition filing date, the claim is:  Check all that apply.  Contingent  Unliquidated  Disputed	as recovered. \$6,577,773.69				

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

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Debtor

CSR Worldwide OK, Inc.

Yes. Have you already specified the

■ No. Specify each creditor, including this creditor, and its relative

Yes. The relative priority of creditors is specified on lines

relative priority?

priority.

Case number (if known)

Name Part 1: Additional Page Column A Column B **Amount of claim** Value of collateral Copy this page only if more space is needed. Continue numbering the lines sequentially Do not deduct the value that supports this from the of collateral claim previous page. 2.2 Creditor's name Describe debtor's property that is subject to a \$600,000.00 unknown lien Bank of Hays Creditor's mailing address Attn: Brandon Brough 1000 West 27th Describe the lien Hays, KS 67601 Line of Credit Creditor's email address, if known Is the creditor an insider or related party? bprough@bankofhays.com **☑** No ☐ Yes Date debt was 4/11/22 incurred Is anyone else liable on this claim? Last 4 digits of 5 1 2 2 account Yes. Fill out Schedule H: Codebtors (Official Form 206H). number As of the petition filing date, the claim is: Do multiple creditors have an interest Check all that apply. in the same property? **☑** Contingent **✓** No ✓ Unliquidated

**☑** Disputed

Official Form 206D

Additional Page of Schedule D: Creditors Who Have Claims Secured by Property

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Debtor

CSR Worldwide OK, Inc.

Name

Case number (if known)

Part 1: Additional Page  Copy this page only if more space is needed. Continue numbering the lines seq from the previous page.		Column A  Amount of claim  Do not deduct the value of collateral.	Column B Value of collateral that supports this claim
Blue Bridge Financial, LLC  Creditor's mailing address	Describe debtor's property that is subject to a lien  PTi Model G6000 Extrusion Pelletizing System  Describe the lien	\$299,378.03	\$500,000.00
11921 Freedom Drive Suite 1130 Reston, VA 20190	Purchase Money for Equipment		
Creditor's email address, if known financing@bluebridgefinancial.com	Is the creditor an insider or related party?  ☑ No ☐ Yes		
Date debt was 2/21/2022 incurred	Is anyone else liable on this claim?  □ №		
Last 4 digits of 3 9 4 9 account number	Yes. Fill out Schedule H: Codebtors (Official Form 206H).  As of the petition filing date, the claim is:  Check all that apply.		
Do multiple creditors have an interest in the same property?	Contingent Unliquidated		
<ul><li>No</li><li>✓ Yes. Have you already specified the relative priority?</li></ul>	☑ Disputed		
No. Specify each creditor, including this creditor, and its relative priority.			
Yes. The relative priority of creditors is specified on lines 2.1			

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Debtor

CSR Worldwide OK, Inc.

Name

Case number (if known)

Part 1: Additional Page		Column A	Column B
Copy this page only if more space is neede from the previous page.	ed. Continue numbering the lines sequentially	Amount of claim  Do not deduct the value of collateral.	Value of collateral that supports this claim
Zahav Asset Management, LLC  Creditor's mailing address 234 Cedarhurst Ave Apt 21b  Cedarhurst, NY 11516-1608	Describe debtor's property that is subject to a lien  Accounts Receivable  Describe the lien  Factoring Agreement	\$17,450.00	\$1,255.10
Creditor's email address, if known info@zahavassetmgmt.com  Date debt was 4/26/2023 incurred  Last 4 digits of 4 8 9 7 account number  Do multiple creditors have an interest	Is the creditor an insider or related party?  I No Yes Is anyone else liable on this claim? No Yes. Fill out Schedule H: Codebtors (Official Form 206H).  As of the petition filing date, the claim is: Check all that apply. Contingent		
in the same property?  ☐ No  ☑ Yes. Have you already specified the relative priority?  ☐ No. Specify each creditor, including this creditor, and its relative priority.  ☑ Yes. The relative priority of creditors is specified on lines 2.1	☐ Unliquidated ☑ Disputed		

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Debtor

Part 2:

CSR Worldwide OK, Inc.

Name

List Others to Be Notified for a Debt Already Listed in Part 1

List in alphabetical order any others who must be notified for a debt already listed in Part 1. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for secured creditors.

If no others need to be notified for the debts listed in Part 1, do not fill out or submit this page. If additional pages are needed, copy this page.

Name and address	On which line in Part 1 did you enter the related creditor?	Last 4 digits of account number for this entity
Thomas A. Creekmore		
Hall, Estill, et al.		
512 E 2nd St Ste1200	Line 2. 1	
Tulsa, OK 74120		
Thomas A. Creekmore		
Hall, Estill, et al.		
512 E 2nd St Ste1200	Line 2. <u>2</u>	
Tulsa, OK 74120		
Green Country Law Group, PLLC		
Attn: Jared A. DeSilvey	110.2	
312 Court St	Line 2. <u>3</u>	
Muskogee, OK 74401		
	Line 2	
	Line 2	
	Line 2	
	Line 2	
	Line 2	
	Line 2	

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Debtor	CSR Worldwide OK, Inc.	Bediaration of Cernon	-	Case number (if known)	
	Name				

Name and address	On which line in Part 1 did you enter the related creditor?	Last 4 digits of account number for this entity
	Line 2	

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	Declarati	ion of Gerrick Warri	ngton Pag	e 60 of 227		
Fill in the	his information to identify the case:					
Debtor	name CSR Worldwide OK	K, Inc.				
United	States Bankruptcy Court for the:	_				
	Eastern District of Oklahoma	a				
Case n	number (if known):	_			☐ Check if this is an amended filing	
Offic	ial Form 206E/F					
Sch	<u>edule E/F: Creditors Wh</u>	no Have Unse	cured Cla	aims	12/15	
- <i>Real ai</i> in Parts	List the other party to any executory contracts and Personal Property (Official Form 206A/B) and 1 and 2 in the boxes on the left. If more space  List All Creditors with PRIORITY Uns	id on Schedule G: Executor is needed for Part 1 or Part	y Contracts and Ui	nexpired Leases(Offi	cial Form 206G). Number the entries	
	o any creditors have priority unsecured claims	s? (See 11 U.S.C. § 507)				
_	☑ No. Go to Part 2. ☑ Yes. Go to line 2.					
	st in alphabetical order all creditors who have until the priority unsecured claims, fill out and attach the		ntitled to priority in	·		
				Total claim	Priority amount	
	iority creditor's name and mailing address ternal Revenue Service	As of the petition filing da Check all that apply.  Contingent	te, the claim is:	\$39,740.54	\$39,740.54	
P	o Box 7346	☐ Unliquidated				
P	hiladelphia, PA 19101-7346	☐ Disputed				
Da	nte or dates debt was incurred	Basis for the Claim: Federal Withholding Tax	es			
	est 4 digits of account	Is the claim subject to offs  ☑ No ☐ Yes	set?			
	pecify Code subsection of PRIORITY unsecured aim: 11 U.S.C. § 507(a) (8)	d				
2.2 Pr	iority creditor's name and mailing address ternal Revenue Service	As of the petition filing da	te, the claim is:	\$14,898.50	\$14,898.50	
P	o Box 7346	☐ Contingent☐ Unliquidated				
P	hiladelphia, PA 19101-7346	☐ Disputed				
Da	ate or dates debt was incurred	Basis for the Claim:				

Last 4 digits of account

claim: 11 U.S.C. § 507(a) (8)

Specify Code subsection of PRIORITY unsecured

number.

**Medicare Withholding Taxes** 

Is the claim subject to offset?

Yes

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Debtor CSR Worldwide OK, Inc. Case number (if known).

Par	t 1: Additional Page			
2.3	Priority creditor's name and mailing address Internal Revenue Service	As of the petition filing date, the claim is: Check all that apply.	\$63,704.03	\$63,704.03
	Po Box 7346	☐ Contingent☐ Unliquidated		
	Philadelphia, PA 19101-7346	Disputed  Basis for the Claim:  Social Security Withholding Taxes		
	Date or dates debt was incurred			
	Last 4 digits of account number	Is the claim subject to offset?  ✓ No  ☐ Yes		
	Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (8)			
2.4	Priority creditor's name and mailing address	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the Claim:  State Withholding Taxes	\$12,302.01	\$12,302.01
	Oklahoma Tax Commission			
	2501 N. Lincoln Blvd			
	Oklahoma City, OK 73103-0000			
	Date or dates debt was incurred			
	Last 4 digits of account number	Is the claim subject to offset?  ☑ No ☐ Yes		
	Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (8)			

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Debtor CSR Worldwide OK, Inc. Case number (if known) Part 2: List All Creditors with NONPRIORITY Unsecured Claims List in alphabetical order all of the creditors with nonpriority unsecured claims. If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2. **Amount of claim** Nonpriority creditor's name and mailing address As of the petition filing date, the claim is: \$1,533.00 Check all that apply. **ACEC**  ☐ Contingent Unliquidated 3401 Kelley Hwy **☑** Disputed Fort Smith, AR 72914 Basis for the claim: Vendor Is the claim subject to offset? Date or dates debt was incurred 7/2/21 **☑** No ☐ Yes Last 4 digits of account number S I N G Nonpriority creditor's name and mailing address As of the petition filing date, the claim is: \$1,175.00 Check all that apply. **ADG Solutions** ☐ Contingent ☐ Unliquidated 4508 - B9 Bibb Blvd Disputed Tucker, GA 30084 Basis for the claim: Vendor Is the claim subject to offset? ✓ No Date or dates debt was incurred 9/16/2021 ☐ Yes Last 4 digits of account number 2 0 3 6 3.3 Nonpriority creditor's name and mailing address As of the petition filing date, the claim is: unknown Check all that apply. Airgas USA, LLC (C067) Contingent Unliquidated 1404 S Pleasant St **☑** Disputed Springdale, AR 72764-6225 Basis for the claim: Vendor ls the claim subject to offset? 
☑ No 3/9/2022 Date or dates debt was incurred ☐ Yes Last 4 digits of account number 0 9 9 Nonpriority creditor's name and mailing address As of the petition filing date, the claim is: \$28,682.50 Check all that apply. **Allied Dies Inc** Contingent Unliquidated 800 Cashman Drive ✓ Disputed Chippewa Falls, WI 54729 Basis for the claim: Vendor Is the claim subject to offset? Date or dates debt was incurred 2/8/2023 **⊻** No

☐ Yes

<u>w i d e</u>

Last 4 digits of account number

Desc Main

GW-062

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CSR Worldwide OK, Inc. Debtor Case number (if known) -

Part 2: Additional Page		
3.5 Nonpriority creditor's name and mailing address  Alternative Plastics  12579 Pioneer Ln.  Gentry, AR 72734  Date or dates debt was incurred 4/6/2022	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor  Is the claim subject to offset?  No Yes	unknown
Last 4 digits of account number 1 9 7 3  3.6 Nonpriority creditor's name and mailing address  Boyd Metals  P.O. Box 819  Fort Smith, AR 72902	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	unknown
Date or dates debt was incurred 6/8/2021  Last 4 digits of account number 2 2 5 5	Is the claim subject to offset?  No Yes	•
3.7 Nonpriority creditor's name and mailing address  Bunting Magnetics  Po Box 468  Newton, KS 67114-0468	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	<u>\$5,850.50</u>
Date or dates debt was incurred  Last 4 digits of account number  R 0 0 2	Is the claim subject to offset?  ☑ No ☐ Yes	
Nonpriority creditor's name and mailing address Central States Reprocessing, LLC 4121 Nw 37th St	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed	unknown
Lincoln, NE 68524  Date or dates debt was incurred  Last 4 digits of account number	Basis for the claim: <u>Vendor</u> Is the claim subject to offset?  No  Yes	-

Name

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Debtor CSR Worldwide OK, Inc. Case number (if known) -

Name

Par	t 2: Additional Page		
3.9	Nonpriority creditor's name and mailing address Cold Shot Chillers	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated	\$615.00
	14343 Interdrive East	- Viniquidated  Disputed	
	Houston, TX 77032	- Basis for the claim: <u>Vendor</u>	
	Date or dates debt was incurred 8/26/2021	Is the claim subject to offset?  No Yes	
	Last 4 digits of account number 7 5 4 2	_ 1es	
3.10	Nonpriority creditor's name and mailing address Covenant Insurance Services, LLC	As of the petition filing date, the claim is:  Check all that apply.  Contingent	unknown
	807 N Jim Thorpe Blvd.	☐ Unliquidated	
	Prague, OK 74864	- Disputed - Basis for the claim: Insurance Premiums	
	Date or dates debt was incurred Unknown  Last 4 digits of account number	Is the claim subject to offset? ☑ No ☐ Yes	
3.11	Nonpriority creditor's name and mailing address  Dana F. Cole & Company, LLP	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$2,850.00
	1248 O St Ste 500	Unliquidated  Disputed	
	Lincoln, NE 68508-1424	- Basis for the claim: Professional Services	
	Date or dates debt was incurred 4/21/2023  Last 4 digits of account number 4 6 1 1	Is the claim subject to offset?  No Yes	
	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is:	\$22,047.99
3.12	David Hanf	Check all that apply.	ΨZZ,047.99
	7309 Rye Hill Rd E	- ☐ Contingent ☐ Unliquidated - ☑ Disputed	
	Fort Smith, AR 72916	- ☑ <sub>Disputed</sub> - Basis for the claim: <u>Wages</u>	
	Date or dates debt was incurred         03/10/2023           Last 4 digits of account number         1 0 2 3	Is the claim subject to offset? ☑ No ☐ Yes	

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Case number (if known).

Debtor CSR Worldwide OK, Inc.

Part 2: Additional Page		
3.13 Nonpriority creditor's name and mailing address  Duffy Trading	As of the petition filing date, the claim is:  Check all that apply.  Contingent	unknown
2931 Francis Scott Key Highway	Unliquidated	
Taneytown, MD 21787	—— ☑ Disputed —— Basis for the claim: Vendor	
Date or dates debt was incurred 9/15/2022  Last 4 digits of account number 2 2 5 6	Is the claim subject to offset?  No Yes	•
3.14 Nonpriority creditor's name and mailing address Floyds Metal Buildings & Construction	As of the petition filing date, the claim is:  Check all that apply.  Contingent	unknown
187 County Road 514	☐ Unliquidated	
Berryville, AR 72616	—— ☑ Disputed —— Basis for the claim: Vendor	
Date or dates debt was incurred  Last 4 digits of account number	Is the claim subject to offset?  ✓ No  ✓ Yes	
3.15 Nonpriority creditor's name and mailing address Forward Brokerage, LLC	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$1,880.00
Po Box 310	☐ Unliquidated ☐ Disputed	
Altoona, PA 16603-0310	— Basis for the claim: <u>Vendor</u>	
Date or dates debt was incurred         11/17/2022           Last 4 digits of account number         2         8         1         5	Is the claim subject to offset?  ✓ No  ☐ Yes	
Nonpriority creditor's name and mailing address  Green Quest	As of the petition filing date, the claim is:  Check all that apply.  Contingent	unknown
440 J St	Unliquidated	
Lincoln, NE 68508	——	
Date or dates debt was incurred 7/20/2022  Last 4 digits of account number 4 2 7 2	Is the claim subject to offset?  No Yes	

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Debtor

CSR Worldwide OK, Inc.	Case number (if known)
Name	,

Part 2: Additional Page		
3.17 Nonpriority creditor's name and mailing address Greenview Materials. Inc.	As of the petition filing date, the claim is:  Check all that apply.	\$91,056.92
1800 W Rogers Ave	— ☐ Contingent☐ Unliquidated☐ ☐ Disputed☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	
Appleton, WI 54914-5001	Basis for the claim: Vendor	
Date or dates debt was incurred 1/5/2022  Last 4 digits of account number 1 2 9 0	ls the claim subject to offset?  ☑ No ☐ Yes	
3.18 Nonpriority creditor's name and mailing address Herbold Meckesheim USA	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$4,661.09
Resource Recycling Systems Inc.	Unliquidated  ✓ Disputed	
130 Industrial Drive	Basis for the claim: Vendor	
North Smithfield, RI 02896	ls the claim subject to offset?  ✓ No	
Date or dates debt was incurred 12/29/2021	— VINo □ Yes -	
Last 4 digits of account number 3 0 2 5		
3.19 Nonpriority creditor's name and mailing address Hugg & Hall Equipment Co.	As of the petition filing date, the claim is: Check all that apply.	unknown
P.O. Box 194110	— ☐ Contingent☐ Unliquidated☐ ☐ Disputed☐ ☐ Disputed☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	
Little Rock, AR 72219-4110	Basis for the claim: Vendor	
Date or dates debt was incurred 5/2/2022  Last 4 digits of account number 9 1 6 8	Is the claim subject to offset?  No  Yes	
3.20 Nonpriority creditor's name and mailing address  J.B. Hunt Transport, Inc.	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$7,737.03
Po Box 847977	Unliquidated Disputed	
Dallas, TX 75284-7977	Basis for the claim: <u>Vendor</u>	
Date or dates debt was incurred 7/28/2022  Last 4 digits of account number 9 2 8 0	ls the claim subject to offset?  ☑ No ☐ Yes	

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Debtor

CSR Worldwide OK, Inc.	Case number (if known)
Name	,

Part 2: Additional Page		
3.21 Nonpriority creditor's name and mailing address  Larkin Mechanical Company  507 E Main Street  Siloam Springs, AR 72761  Date or dates debt was incurred 5/19/2022  Last 4 digits of account number 1 9 8 8	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor  Is the claim subject to offset?  Yes	<u>\$236.25</u>
3.22 Nonpriority creditor's name and mailing address Latham, Steele, Lehman, Keele, Ratcliff,  1515 E 71st Street Ste 200  Tulsa, OK 74136-0000  Date or dates debt was incurred 2021-2023	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Attorney Fees  Is the claim subject to offset?  No Yes	unknown
Last 4 digits of account number n o w n  3.23 Nonpriority creditor's name and mailing address Linder Recyclingtech America LLC  152 Walker Road  Statesville, NC 28625	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim:	unknown
Date or dates debt was incurred         11/12/2021           Last 4 digits of account number         3 6 8 6	Is the claim subject to offset?  ☑ No □ Yes	
3.24 Nonpriority creditor's name and mailing address  LLT Industries  3045 S 44th St  Lincoln, NE 68506-3329	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Shipping	unknown
Date or dates debt was incurred 9/30/2021  Last 4 digits of account number 2 1 0 9	Is the claim subject to offset?  No □ Yes	

Official Form 206E/Case 23-80391 Doc 1 so Fridge மிரும் who have முக்கும்/வரும்க் 9:47:02 Desc Main

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btor	CSR Worldwide OK, Inc.	Case number (if known)
	Name	,

Part	t 2: Additional Page		
3.25	Nonpriority creditor's name and mailing address  LRS  848 E Highway 264  Springdale, AR 72764-8210  Date or dates debt was incurred  5/31/2022  Last 4 digits of account number  1 3 9 0	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor  Is the claim subject to offset?  No Yes	unknown
3.26	Nonpriority creditor's name and mailing address  Mark Industries, Inc.  715 Main St  Cassville, MO 65625	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	unknown
	Date or dates debt was incurred  Last 4 digits of account number  9 9 2 0	Is the claim subject to offset?    → No  → Yes	
3.27	Nonpriority creditor's name and mailing address  Muehlstein  1900 Summit Tower Blvd Ste 900  Orlando, FL 32810	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	unknown
	Date or dates debt was incurred  7/28/2022  Last 4 digits of account number  2 0 1 4	Is the claim subject to offset?  ✓ No  ☐ Yes	
3.28	Nonpriority creditor's name and mailing address Pipelife Jet Stream  1700 S Lincoln St  Siloam Springs, AR 72761	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	\$49,285.99
	Date or dates debt was incurred 1/4/2023  Last 4 digits of account number	Is the claim subject to offset?  ☑ No □ Yes	

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Debtor CSR Worldwide OK, Inc.

N	1	m	-

Case number (if known) -

Part	2: Additional Page		
3.29	Nonpriority creditor's name and mailing address Processing Technologies Intl, LLC  2655 White Oak Circle	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed	unknown
	Aurora, IL 60502	Basis for the claim: Equipment Purchases	
	Date or dates debt was incurred 6/15/2022	Is the claim subject to offset? ☑ No ☐ Yes	
	Last 4 digits of account number 0 5 3 9	Yes	
3.30	Nonpriority creditor's name and mailing address R & R Express Logistics	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$33,075.00
	PO Box Box 72124	Unliquidated	
	Cleveland, OH 44192	— 🗹 Disputed	
		Basis for the claim: Shipping  Is the claim subject to offset?	
	Date or dates debt was incurred 2/15/2022	☑ <sub>No</sub>	
	Last 4 digits of account number 0 9 2 1	Yes	
3.31	Nonpriority creditor's name and mailing address REI Subsidiary CDE 22, LLC	As of the petition filing date, the claim is:  Check all that apply.  Contingent	unknown
	c/o REI Development Corp.	☑ Unliquidated	
	2912 Enterprise Dr	— ☑ Disputed  Basis for the claim: Guaranty	
	Durant, OK 74701-1954	Is the claim subject to offset?	
		— □ <sub>No</sub> ,	
	Date or dates debt was incurred 6/17/2021	√ Yes	
	Last 4 digits of account number <u>a n A</u>		
2.22	Nonpriority creditor's name and mailing address	As of the petition filing date, the claim is:	unknown
3.32	REI Subsidiary CDE 22, LLC	Check all that apply.  Contingent	
	c/o REI Development Corp.	✓ Unliquidated  — ✓ Disputed	
	2912 Enterprise Dr	Basis for the claim: Guaranty	
	Durant, OK 74701-1954	Is the claim subject to offset? —   √1	
		— ☑ <sub>No</sub> □ <sub>Yes</sub>	
	Date or dates debt was incurred 6/17/2021		
	Last 4 digits of account number <u>a n _ B</u>		

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Part 2: Additional Page		
3.33 Nonpriority creditor's name and mailing address Sherwin Williams Co  101 W. Prospect Ave Cleveland, OH 44115	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	<u>unknown</u>
Date or dates debt was incurred         4/23/2022           Last 4 digits of account number         3 0 - 4	Is the claim subject to offset?  ☑ No □ Yes	
3.34 Nonpriority creditor's name and mailing address Smurfit Kappa 9709 Hwy 271 South Fort Smith, AR 72908	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	unknown
Date or dates debt was incurred  Last 4 digits of account number	Is the claim subject to offset?  — ☑ No □ Yes	
3.35 Nonpriority creditor's name and mailing address Star Mechanical Supply P.O. Box Springdale, AR 72765	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	unknown
Date or dates debt was incurred 5117227  Last 4 digits of account number 7 3 6 1	Is the claim subject to offset?  ✓ No  ☐ Yes	
3.36 Nonpriority creditor's name and mailing address Swank's Welding 58566 S. 700 Road Watts, OK 74964	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	<u>\$4,200.00</u>
Date or dates debt was incurred 2021  Last 4 digits of account number 5 0 0 1	Is the claim subject to offset? — ☑ No □ Yes	

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Debtor CSR Worldwide OK, Inc. Case number (if known) -

Name

Part 2: Additional Page		
3.37 Nonpriority creditor's name and mailing address Sylvane, Inc. 245 Hembree Park Dr Ste 124	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated	unknown
	— ✓ Disputed	
Roswell, GA 30076-5702	Basis for the claim: Vendor	
Date or dates debt was incurred  Last 4 digits of account number	Is the claim subject to offset?  — ☑ No ☐ Yes	
3.38 Nonpriority creditor's name and mailing address System Scale	As of the petition filing date, the claim is:  Check all that apply.  Contingent	unknown
4393 West 96th Street	Unliquidated	
Indianapolis, IN 46268	<ul><li></li></ul>	-
Date or dates debt was incurred  Last 4 digits of account number	Is the claim subject to offset?  No Yes	
3.39 Nonpriority creditor's name and mailing address  Total Recycling Paper & Plastic	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$28,589.36
PO Box 1970	Unliquidated ✓ Disputed	
Lowell, AR 72745	Basis for the claim: Vendor	
Date or dates debt was incurred 6/16/2022  Last 4 digits of account number 7 9 0 4	Is the claim subject to offset?  Value No  Yes	
3.40 Nonpriority creditor's name and mailing address Uline	As of the petition filing date, the claim is:  Check all that apply.  Contingent	\$2,685.84
Attn: Accounts Receivable	Unliquidated Disputed	
Po Box 88741	Basis for the claim: <u>Vendor</u>	
Chicago, IL 60680-1741	Is the claim subject to offset?  ✓ No	
Date or dates debt was incurred         7/26/2022           Last 4 digits of account number         5         9         7         5	Yes —	

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Case number (if known).

Debtor CSR Worldwide OK, Inc.

Par	t 2: Additional Page		
3.41	Nonpriority creditor's name and mailing address Unishippers PO Box 21228 Dept 57 Tulsa, OK 74121-0000	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated  Basis for the claim:  Is the claim subject to offset?  No Yes	<u>\$521.16</u>
	Date or dates debt was incurred  Last 4 digits of account number		
3.42	VSC Fire & Security	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor  Is the claim subject to offset?  No Yes	unknown
	P.O. Box 1659  Rogers, AR 72756		
	Date or dates debt was incurred         4/8/2022           Last 4 digits of account number         5         8         6         6		
3.43	Nonpriority creditor's name and mailing address  Watts Public Works Authority  220 Second St.	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim:  Is the claim subject to offset?  No Yes	<u>\$481.13</u>
	Watts, OK 74964		
	Date or dates debt was incurred 4/3/2023  Last 4 digits of account number		
3.44	Nonpriority creditor's name and mailing address Wholesale Electric Supply	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor  Is the claim subject to offset?  No Yes	<u>unknown</u>
	P O BOX 1258 Texarkana, TX 75504		
	Date or dates debt was incurred         11/17/2021           Last 4 digits of account number         6 4 4 8		

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CSR Worldwide OK, Inc. Debtor Case number (if known) . Name

Part 2: Additional Page		
3.45 Nonpriority creditor's name and mailing address  Wintech Windows  15 Old Stonebreak Rd  Ballston Spa, NY 12020-4900  Date or dates debt was incurred 1/26/2023  Last 4 digits of account number 0 3 2 9	As of the petition filing date, the claim is:  Check all that apply.  Contingent Unliquidated  Disputed  Basis for the claim: Vendor  Is the claim subject to offset?  No Yes	unknown
3.46 Nonpriority creditor's name and mailing address W-J Inc.  34180 Solon Road Solon, OH 44139	As of the petition filing date, the claim is: Check all that apply.  Contingent Unliquidated Disputed  Basis for the claim: Vendor	\$22,177.50
Date or dates debt was incurred         2/28/2022           Last 4 digits of account number         0 3 7 1	Is the claim subject to offset?  No Yes	

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Debto	CSR Worldwide OK, Inc.	Case number (if known)	
	Name		
Part	13: List Others to Be Notified About Unsecu	red Claims	
		ified for claims listed in Parts 1 and 2. Examples of entities that may be listed for claims listed in Parts 1 and 2.	sted are collection
	agencies, assignees of claims listed above, and attorne	•	- 1- 1 1
IT F	no others need to be notified for the debts listed in Pa	rts 1 and 2, do not fill out or submit this page. If additional pages are ne	eded, copy the next page.
	Name and mailing address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4.1	Arvest Bank	Line <u>3.31</u>	
	502 South Main	☐ Not listed. Explain	
	Tulsa, OK 74103-0000		
4.2	Arvest Bank	Line <u>3.32</u>	
	502 South Main	☐ Not listed. Explain	
	Tulsa, OK 74103-0000		
4.3	Charles Greenough	Line <u>3.31</u>	
	McAfee & Taft, P.C.	☐ Not listed. Explain	
	2 W 2nd St Ste 1100		
	Tulsa, OK 74103		
4.4	Charles Greenough	Line <u>3.32</u>	
	McAfee & Taft, P.C.	Not listed. Explain	
	2 W 2nd St Ste 1100	<u> </u>	

Tulsa, OK 74103

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Debtor	CSR Worldwide OK, Inc. Name		_	Case number (if known)
Part 4	: Total Amounts of the Priority and Nonpriority Unsecured Clai	ms		
5. A	Add the amounts of priority and nonpriority unsecured claims.			
				Total of claim amounts
5a. <b>T</b>	otal claims from Part 1	5a.		\$130,645.08
5b. <b>T</b>	otal claims from Part 2	5b.	+	\$309,341.26
	<b>Total of Parts 1 and 2</b> ines 5a + 5b = 5c.	5c.		\$439.986.34

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		Declaration of Gerrick Warr	ington Page 76 of 227	
Fill i	n this information to identify the c	ase:	l .	
Deb	tor nameC	SR Worldwide OK, Inc.		
Unit	ed States Bankruptcy Court for th Eastern D	ne: istrict of Oklahoma		
Cas	e number (if known):	Chapter <u>11</u>	Check if this is an amended filing	
	i <mark>cial Form 206G</mark> hedule G: Execı	utory Contracts and U	nexpired Leases 12/1	15
	Does the debtor have any exection.  No. Check this box and file to	utory contracts or unexpired leases? this form with the court with the debtor's other	schedules. There is nothing else to report on this form. isted on Schedule A/B: Assets - Real and Personal Property (Official Form	
2. L	ist all contracts and unexpired I	eases	State the name and mailing address for all other parties with whom t debtor has an executory contract or unexpired lease	he
2.1	State what the contract or lease is for and the nature of the debtor's interest  State the term remaining	Commercial Lease of Real Estate and Equipment  Contract to be ASSUMED  0 months	CSR-OK Real Estate Holding Company, LLC c/o CSR Worldwide OK, Inc. 473617 E 610 Rd Watts, OK 74964	
	List the contract number of any government contract			
2.2	State what the contract or lease is for and the nature of the debtor's interest	Commercial Lease of 30 acres pasture land access for yearly payment of \$700  Contract to be ASSUMED	Cash, Stan PO Box Box 444 Watts, OK 74964	
	State the term remaining	0 months		
	List the contract number of any government contract			
2.3	State what the contract or lease is for and the nature of the debtor's interest			
	State the term remaining			

List the contract number of any government contract

State what the contract or

lease is for and the nature of the debtor's interest State the term remaining List the contract number of any government contract

2.4

GW-076

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Fill in this information to identify the case:		
Debtor name CSR Worldwide OK, Inc.		
United States Bankruptcy Court for the: Eastern	District of Oklahoma	
Case number (If known):	(State)	☐ Check if this is an amended filing

## Official Form 206H

### Schedule H: Codebtors

12/15

Be as complete and accurate as possible. If more space is needed, copy the Additional Page, numbering the entries consecutively. Attach the Additional Page to this page.

1.	Does the debtor have any co	debtors?				
	■ No. Check this box and st	ubmit this form to the o	court with the debtor's	s other schedules. No	othing else needs to be reported	on this form.
	<b>√</b> Yes					
2.		arantors and co-obligo	ors. In Column 2, ide	ntify the creditor to w	bts listed by the debtor in the shom the debt is owed and each separately in Column 2.	
	Column 1: Codebtor				Column 2: Creditor	
	Name	Mailing address			Name	Check all schedules that apply:
2.1	Bombola, Steven Francis	2900 Catalpa St			Bank of Hays	<b>₫</b> D
		Street				☐ E/F
					<u>-</u>	☐ G
		Newport Beach, CA	92660-3221		Blue Bridge Financial, LLC	<b>☑</b> D
		City	State	ZIP Code	•	☐ E/F
						☐ G
					Zahav Asset Management,	<b>☑</b> D
					LLC	☐ E/F
						☐ G
2.2	Burgess, Troy Don	8505 Nw 126th St			Bank of Hays	<b>₫</b> D
		Street				☐ E/F
		-				☐ G
		Malcolm, NE 68402	-9779		Blue Bridge Financial, LLC	<b>₫</b> D
		City	State	ZIP Code	•	☐ E/F
						☐ G
					Zahav Asset Management,	<b>₫</b> D
					LLC	☐ E/F
						☐ G
	Central States					•
2.3	Reprocessing, LLC	4121 Nw 37th St			Bank of Hays	<b>₫</b> D
		Street				☐ E/F ☐ G
					•	
		Lincoln, NE 68524			Blue Bridge Financial, LLC	<b>☑</b> D
		City	State	ZIP Code		☐ E/F ☐ G
						<b>J</b>

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Debtor

CSR Worldwide OK, Inc.

Name

Additional Page if Debtor Has More Codebtors

	Copy this page only i	f more space is neede	d. Continue numb	ering the lines sequ	entially from the previous pag	ge.	Ī
	Column 1: Codebtor				Column 2: Creditor		
	Name	Mailing address			Name	Check all schedules that apply:	
					Zahav Asset Management, LLC	<b>☑</b> D □ E/F □ G	
2.4	Cherokee Nation Businesses LLC	777 W Cherokee St Street Attn: Chuck Garrett			Bank of Hays	<b>☑</b> D □ E/F □ G	
		Catoosa, OK 74015-3 City	State	ZIP Code			
2.5	CSR-OK Real Estate Holding Company, LLC	473617 E 610 Rd Street c/o CSR Worldwide C	oK, Inc.		REI Subsidiary CDE 22, LLC  REI Subsidiary CDE 22, LLC	D  S  E/F  G  D  S  E/F	
		City	State	ZIP Code		☐ G	
2.6	Pacifica Consultants, Inc	1000 N GVR Ste 653 Street			Zahav Asset Management, LLC	☑ D □ E/F □ G	
		Henderson, NV 89074 City	4 State	ZIP Code			
2.7	USDA Rural Business Services for Oklahoma	100 Usda Ste 108 Street Stillwater, OK 74074-:	2651		Bank of Hays	☑ D □ E/F □ G	
		City	State	ZIP Code			

Official Form 206H Schedule H: Codebtors page 2 of 2

Fill in this information to	identify the case:	I	
Debtor name	CSR Worldwide OK, Inc.		
United States Bankrupt	cy Court for the: Eastern District of Oklahoma		
Case number (if known):	Chapter 11		Check if this is an amended filing
Official Form 2	206Sum		
Summary of	f Assets and Liabilities for N	on-Individuals	12/15
Part 1: Summary o	f Assets		
1 Sobodulo A/Br Acco	to Peal and Parsonal Property (Official Form 206A/P)		
	ts-Real and Personal Property (Official Form 206A/B)		
1a. <b>Real Property:</b> Copy line 88 fror	m Schedule A/B		\$0.00
1b. <b>Total personal p</b> Copy line 91A fro	roperty: om Schedule A/B		\$7,790,718.73
1c. <b>Total of all prope</b> Copy line 92 from	erty: m <i>Schedule A/B</i>		\$7,790,718.73
Part 2: Summary	of Liabilities		
2. Schedule D: Credito	ors Who Have Claims Secured by Property (Official Form 2	06D)	
Copy the total dollar	amount listed in Column A, Amount of claim, from line 3 of	Schedule D	\$6,577,773.69
3. Schedule E/F: Credi	itors Who Have Unsecured Claims (Official Form 206E/F)		
3a. Total claim amou	unts of priority unsecured claims:		
Copy the total cl	aims from Part 1 from line 5a of Schedule E/F		<u>\$130,645.08</u>
	claims of non-priority amount of unsecured claims:		
Copy the total of	the amount of claims from Part 2 from line 5b of Schedule	<i>E/F</i>	<b>+</b> \$309,341.26
4. Total liabilities			\$7,017,760.03

Lines 2 + 3a + 3b

### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 80 of 227

Fill in this inform	nation to identify the case:	
Debtor name	CSR Worldwide OK, Inc.	_
United States Ba	ankruptcy Court for the:	
	Eastern District of Oklahoma	
Case number (if	f known):	☐ Check if this is an amended filing

### Official Form 207

### Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy 04/22

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Gross revenue from busin	ness			
None				
Identify the beginning and emay be a calendar year	ending dates of the debtor's	fiscal year, which	Sources of revenue Check all that apply	Gross revenue (before deductions and exclusions)
From the beginning of the iscal year to filing date:	From <u>01/01/2023</u> to MM/ DD/ YYYY	Filing date	☑ Operating a business ☑ Other	\$433,609.02
For prior year:	From <u>01/01/2022</u> to MM/ DD/ YYYY	12/31/2022 MM/ DD/ YYYY	☑ Operating a business ☑ Other	\$845,216.67
	F 04/04/0004		<b>16.</b>	<b>\$770.045.0</b>
For the year before that:	From <u>01/01/2021</u> to MM/ DD/ YYYY	12/31/2021 MM/ DD/ YYYY	☑ Operating a business ☑ Other	<u>\$770,315.0</u>
Non-business revenue Include revenue regardless	MM/ DD/ YYYY s of whether that revenue is t	MM/ DD/ YYYY axable. <i>Non-busines</i>		
Non-business revenue Include revenue regardless royalties. List each source	MM/ DD/ YYYY s of whether that revenue is t	MM/ DD/ YYYY axable. <i>Non-busines</i>	☑ Otherss income may include interest, dividends	
Non-business revenue Include revenue regardless royalties. List each source	MM/ DD/ YYYY s of whether that revenue is t	MM/ DD/ YYYY axable. <i>Non-busines</i>	Otherss income may include interest, dividends ot include revenue listed in line 1.	, money collected from lawsuits,  Gross revenue from each
Non-business revenue Include revenue regardless royalties. List each source None Tom the beginning of the	MM/ DD/ YYYY	MM/ DD/ YYYY axable. <i>Non-busines</i>	Otherss income may include interest, dividends ot include revenue listed in line 1.	, money collected from lawsuits,  Gross revenue from each source (before deductions and
Non-business revenue Include revenue regardless royalties. List each source	MM/ DD/ YYYY  s of whether that revenue is tand the gross revenue for each	MM/ DD/ YYYY  axable. <i>Non-busines</i> ach separately. Do no	Otherss income may include interest, dividends ot include revenue listed in line 1.	Gross revenue from each source (before deductions and

**Desc Main** 

Debtor

se 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Declaration of Gerrick Warrington Page 81 of 227

Part 2: List Certain Transfers Made Before Filing for Bankruptcy

Certain payments or transfers to creditors within 90 days before filing this case

None			
Creditor's name and address	Dates	Total amount or value	Reasons for payment or transfer Check all that apply
	3/22/23	\$28,184.02	☐ Secured debt
Creditor's name	0/04/00		Unsecured loan repayments
7309 Rye Hill Rd E Street	3/24/23	_	☐ Suppliers or vendors
	4/7/23	<u></u>	Services
Fort Smith, AR 72916	5/17/23	_	Other Wages and reimbursement
City State ZIP Code	5/23/23	_	
	5/31/23	_	
Envision/Tamko	5/17/23	\$16,232.00	☐ Secured debt
Creditor's name			Unsecured loan repayments
P.O. Box 37 Street		_	☑ Suppliers or vendors
0.000			Services
			Other
Mount Joy, PA 17552 City State ZIP Code			
IST Technologies	3/8/23	\$33,311.34	Secured debt
Creditor's name	4/00/00		☑ Unsecured loan repayments
9900 Spectrum Drive Street	4/20/23	_	☐ Suppliers or vendors
		<u></u>	Services
A (' T)/ 707/7			Other
Austin, TX 78717 City State ZIP Code			
Ogre Village Management, LLC	4/4/23	\$14,700.00	Secured debt
Creditor's name			☑ Unsecured loan repayments
472539 E 610 Rd	4/21/23	_	☐ Suppliers or vendors
Street			Services
		_	Other
Watts, OK 74964 City State ZIP Code			
State ZIF Code			_
	3/15/23	\$16,880.42	Secured debt
Creditor's name	4/3/23		Unsecured loan repayments
2501 N. Lincoln Blvd Street	4/3/23	_	Suppliers or vendors
	4/5/23	_	Services
Oldohama City OV 72422 2222	4/6/00		<b>☑</b> Other <u>Taxes</u>
Oklahoma City, OK 73103-0000 City State ZIP Code	4/6/23	_	
	5/18/23	<u></u>	

Official Form 207

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

6.	Ozarks Electric Cooperative	3/30/23	\$72,062.94	Secured debt
	Creditor's name PO Box 848	5/11/23		Unsecured loan repayments
	Street	3/11/23		☑ Suppliers or vendors
		3/7/23		Services
	Fayetteville, AR 72702-0000			Other
	City State ZIP Code			
<b>,</b>	Pacifica Consultants, Inc	4/28/23	\$13,000.00	☐ Secured debt
	Creditor's name	4/20/20	Ψ10,000.00	Unsecured loan repayments
	1000 N GVR Ste 653			☐ Suppliers or vendors
	Street			<b>☑</b> Services
				Other
	Henderson, NV 89074 City State ZIP Code			
	State ZIF Code			
3.	Byrne, Shawn M Creditor's name	3/7/23	\$11.894.00	Secured debt
	948 Oakwood Dr	3/22/23		☐ Unsecured loan repayments
	Street			☐ Suppliers or vendors
		4/7/23		☐ Services ☑ Other <u>Wages</u>
	Castle Rock, CO 80104	5/17/23		Uther <u>wages</u>
	City State ZIP Code			
		5/31/23		
).	Zahav Asset Management, LLC	5/1/23	\$1,400.00	☐ Secured debt
	Creditor's name	E/A/22		Unsecured loan repayments
	234 Cedarhurst Ave Apt 21b Street	5/4/23		Suppliers or vendors
		5/5/23		Services
	Cedarhurst, NY 11516-1608	5/8/23		☑ Other <u>Factoring Agreement</u>
	City State ZIP Code	3/0/23		
		5/9/23		
		5/10/23		
		5/11/23		
		5/12/23		
		5/15/23		
		5/16/23		
		5/17/23		
		5/18/23		
		3/10/23		
		5/19/23		
		5/20/23		
		5/22/23		
		5/24/23		
		5/25/23		
		5/26/23		
		5/30/23		

GW-082

		5/31/23			
ח	urrett, Kreston M	3/7/23	\$14,104.26	Secured debt	
	reditor's name	3/1/23	<u> </u>	Unsecured loan repayments	
80	07 Rachael Court	3/22/23		Suppliers or vendors	
St	treet	-			
_		4/7/23		Services	
Si	iloam Springs, AR 72761	5/17/23		☑ Other <u>Wages</u>	_
Ci		0/11/20			
		5/31/23			
Λ.	NS Concrete	E/46/00	¢45,400,00	☐ Secured debt	
	reditor's name	5/16/23	<u>\$15,400.00</u>	_	
Р	O Box Box 702			Unsecured loan repayments	
_	treet	-		Suppliers or vendors	
_				<b>☑</b> Services	
c	iloom Chringo AB 70761			Other	_
Ci	iloam Springs, AR 72761 ity State ZIP Code	-			
In	djusted on 4/01/25 and every 3 years after the siders include officers, directors, and anyone				a theil
<i>In</i> re ✓	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of None	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a tneir
<i>In</i> re ✓	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of				a their
<i>In</i> re ✓	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of None	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of None	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a tneir
In re	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of None  nsider's name and address	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of None  nsider's name and address	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re	siders include officers, directors, and anyone latives; affiliates of the debtor and insiders of None  nsider's name and address  reditor's name	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  nsider's name and address  reditor's name	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re V	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re III	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re I	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  ty State ZIP Code	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re I	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  ty State ZIP Code	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  ty State ZIP Code	f such affiliates; and	dany managing agent of the c	lebtor. 11 U.S.C. § 101(31).	a their
In re Cr Cr St - Ci F	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns all property of the debtor that was obtained	Dates  Dates	Total amount or value  Total amount or value	Reasons for payment or transfer  e, including property repossessed by a creditor,	
In re III	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns st all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor and insider	Dates  Dates	Total amount or value  Total amount or value	Reasons for payment or transfer  e, including property repossessed by a creditor,	
In re Cr St List fo	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns all property of the debtor that was obtained	Dates  Dates	Total amount or value  Total amount or value	Reasons for payment or transfer  e, including property repossessed by a creditor,	
In record of the control of the cont	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns st all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor that was obtained reclosure sale, transferred by a deed in lieu of the debtor and insiders of the debtor and insider	Dates  Dates	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income	Reasons for payment or transfer  e, including property repossessed by a creditor,	, sold
In re Cricina	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns st all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of None  Creditor's name and address	Dates  Dates  Dates  Description of the second seco	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income the property	Reasons for payment or transfer  e, including property repossessed by a creditor, clude property listed in line 6.  Date  Value of prop	, sold
In ree Lize	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns at all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of None	Dates  Dates  Dates  Description of the second seco	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income	Reasons for payment or transfer  e, including property repossessed by a creditor, clude property listed in line 6.  Date  Value of prop	, sold
In re Cr Cr St Line	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  reet  State ZIP Code  Relationship to debtor  Propossessions, foreclosures, and returns at all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of None  Creditor's name and address  ulti-Craft Contractors, Inc.	Dates  Dates  Dates  Description of the Garnishment of	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income the property	Reasons for payment or transfer  e, including property repossessed by a creditor, clude property listed in line 6.  Date  Value of prop	, sold
In re Cr Cr St	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  None  Insider's name and address  reditor's name  Treet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns at all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of None  Creditor's name and address  sulti-Craft Contractors, Inc.  reditor's name	Dates  Dates  Dates  Description of the Garnishment of	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income the property	Reasons for payment or transfer  e, including property repossessed by a creditor, clude property listed in line 6.  Date  Value of prop	, sold
In re Cr Cr F F M M Cr P.	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns st all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of None  Creditor's name and address  ulti-Craft Contractors, Inc. reditor's name  O. Box 1760	Dates  Dates  Dates  Description of the Garnishment of	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income the property	Reasons for payment or transfer  e, including property repossessed by a creditor, clude property listed in line 6.  Date  Value of prop	, sold
In re Cr St St List for MCr P. St	siders include officers, directors, and anyone platives; affiliates of the debtor and insiders of None  Insider's name and address  reditor's name  reet  Ty State ZIP Code  Relationship to debtor  Repossessions, foreclosures, and returns st all property of the debtor that was obtained reclosure sale, transferred by a deed in lieu of None  Creditor's name and address  ulti-Craft Contractors, Inc. reditor's name  O. Box 1760	Dates  Dates  Dates  Description of the Garnishment of	Total amount or value  Total amount or value  1 year before filing this case turned to the seller. Do not income the property	Reasons for payment or transfer  e, including property repossessed by a creditor, clude property listed in line 6.  Date  Value of prop	, sold

Setoffs List any creditor, including a bank	or financial institution, th			
debtor without permission or refus  Mone	sed to make a payment a	the debtor's direction from an account of	of the debtor because the	debtor owed a debt.
Creditor's name and address	Descrip	on of the action creditor took	Date action was taken	Amount
Creditor's name			·	
Street	XXXX			
City State	ZIP Code			
t 3: Legal Actions or Assign		s, executions, attachments, or gover		
capacity—within 1 year before fil		ns, mediations, and audits by federal or	state agencies in which t	he debtor was involved
None	<b>3</b> · · · · · · · · · · · · · · · · · · ·			
None Case title	Nature of case	Court or agency's na	ame and address	Status of case
_		Court or agency's na United States District of District of Oklahoma Name		Pending On appeal
Case title  Blue Bridge Financial, Inc. v.	Nature of case	United States District of Oklahoma		<b>√</b> Pending
Case title  Blue Bridge Financial, Inc. v.  CSR Worldwide OK, Inc., et al.	Nature of case	United States District of District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402	Court for the Eastern  -0607	Pending On appeal
Case title  Blue Bridge Financial, Inc. v.  CSR Worldwide OK, Inc., et al.  Case number	Nature of case	United States District of Oklahoma Name Po Box 607 Street	Court for the Eastern  -0607 State ZIP Code	Pending On appeal
Case title  Blue Bridge Financial, Inc. v. CSR Worldwide OK, Inc., et al.  Case number  23-CV-78-GLJ	Nature of case Civil	United States District (District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402 City  Court or agency's na Adair County District (Name	Court for the Eastern  -0607 State ZIP Code  ame and address	☑ Pending ☐ On appeal ☐ Concluded
Case title  Blue Bridge Financial, Inc. v. CSR Worldwide OK, Inc., et al.  Case number  23-CV-78-GLJ  Case title  Bank of Hays, et al. v. CSR	Nature of case  Civil	United States District ( District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402 City  Court or agency's na Adair County District (	Court for the Eastern  -0607 State ZIP Code  ame and address	Pending On appeal Concluded  Status of case
Case title  Blue Bridge Financial, Inc. v. CSR Worldwide OK, Inc., et al.  Case number  23-CV-78-GLJ  Case title  Bank of Hays, et al. v. CSR Worldwide OK, Inc., et al.	Nature of case  Civil	United States District ( District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402 City  Court or agency's na Adair County District ( Name PO Box 426	-0607 State ZIP Code ame and address Court	☐ Pending ☐ On appeal ☐ Concluded  Status of case ☐ Pending ☐ On appeal
Case title  Blue Bridge Financial, Inc. v. CSR Worldwide OK, Inc., et al.  Case number  23-CV-78-GLJ  Case title  Bank of Hays, et al. v. CSR Worldwide OK, Inc., et al.  Case number	Nature of case  Civil	United States District (District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402 City  Court or agency's nate Adair County District (District of Name Po Box 426 Street  Stilwell, OK 74960-000	Court for the Eastern  -0607 State ZIP Code ame and address  Court  00 State ZIP Code	☐ Pending ☐ On appeal ☐ Concluded  Status of case ☐ Pending ☐ On appeal
Case title  Blue Bridge Financial, Inc. v. CSR Worldwide OK, Inc., et al.  Case number  23-CV-78-GLJ  Case title  Bank of Hays, et al. v. CSR Worldwide OK, Inc., et al.  Case number  CJ-2023-36	Nature of case Civil  Nature of case Civil	United States District (District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402 City  Court or agency's na Adair County District (Name PO Box 426 Street  Stilwell, OK 74960-000 City  Court or agency's na United States District (District of Oklahoma Name	Court for the Eastern  -0607 State ZIP Code  ame and address  Court  00 State ZIP Code  ame and address	Pending On appeal Concluded  Status of case Pending On appeal Concluded
Case title  Blue Bridge Financial, Inc. v. CSR Worldwide OK, Inc., et al.  Case number  23-CV-78-GLJ  Case title  Bank of Hays, et al. v. CSR Worldwide OK, Inc., et al.  Case number  CJ-2023-36  Case title  Central States Reprocessing, LLC, et al. v. Oldcastle APG,	Nature of case Civil  Nature of case Civil	United States District (District of Oklahoma Name Po Box 607 Street  Muskogee, OK 74402 City  Court or agency's nate of Adair County District (Name PO Box 426 Street  Stilwell, OK 74960-000 City  Court or agency's nate of Adair County District (District of Oklahoma	Court for the Eastern  -0607 State ZIP Code  ame and address  Court  00 State ZIP Code  ame and address	Pending On appeal Concluded  Status of case Pending On appeal Concluded  Status of case Pending On appeal On appeal

Civil (removed to United States   District Court   District   Dis	(())-		-6			01-1
C. et al. V. Oldcastle APG. District Court for Eastern 20- CV-474-RAW)  District of Oldshorms, Case No. 20- CV-474-RAW)  District Oldshorms Court of Washington County, State Oldshorms District	case title					Status of case
Description of the property   Description of the property   Description of the gifts or contributions   Description   Description of the gifts or contributions   Description   Desc	LLC, et al. v. Oldcastle APG, District C					
20-CV-474-RAW)    State   Court of the property   State   Court name and address						On appeal
State   Court or agency's name and address   Status of case	•		*			Concluded
State   ZIP Code	Case number					_
Case title  Nature of case  Court or agency's name and address  Status of case  Circuit Court of Washington County, State of Arkansas Name  280 N College Ave Street  Case number  2CV-23-46  Eavetteville. AR 72701 City State ZIP Code  Satisfy State ZIP Code  Case number  Case title  Court name and address  Description of the property  Value  Case number  Case				Stilwell, OK 74960	-0000	_
Circuit Court of Washington County, State of Arkansas Name   Pending   On appeal   Street	CJ-2020-56			City	State ZIP Code	
Arkansas Name 280 N College Ave Street  280 N College Ave Street  280 N College Ave Street  Eavetteville, AR 72701 City State ZIP Code  State ZIP Code  Street  Case itile  Court name and address  Description of the property  Value  Case number  Case nu	Case title	Nature	of case	Court or agency's	s name and address	Status of case
Case number  220 N College Ave Street  220 Concluded  220 N College Ave Street  221 P Code  221 N College Ave Street  222 N College Ave Street Street Street Street  222 N College Ave Street St	Multi-Craft Contractors, Inc. v.	Civil		Circuit Court of Wa	ashington County, State of	_ Pending
Case number  280 N College Ave Street  Exception of the benefit of creditors during the 120 days before filing this case and any property in the hands of coliver, custodian, or other court-appointed officer within 1 year before filing this case.  Description of the property  Value  Case title  Court name and address  Description of the property  Value  Case title  Case number  Street  Date of order or assignment  City State ZIP Code  City State ZIP Code  Code  Name  Date of order or assignment  City State ZIP Code  Description of the gifts or charitable contributions  st all gifts or charitable contributions the debtor gave to a recipient within 2 years before filling this case unless the aggregate value of that recipient is less than \$1,000  None  Recipient's name  Description of the gifts or contributions  Dates given  Value  Value  Value  Date of order or assignment  Description of the gifts or contributions  Dates given  Value	SR Worldwide, Inc., et al.					On appeal
Street    Street   St						<b>✓</b> Concluded
Saignments and receivership Ist any property in the hands of an assignee for the benefit of creditors during the 120 days before filling this case and any property in the hands of acceiver, custodian, or other court-appointed officer within 1 year before filling this case.    Description of the property	Case number				,	_
Saignments and receivership Ist any property in the hands of an assignee for the benefit of creditors during the 120 days before filling this case and any property in the hands of acceiver, custodian, or other court-appointed officer within 1 year before filling this case.    Description of the property	2CV-23-46					_
Ist any property in the hands of an assignee for the benefit of creditors during the 120 days before filling this case and any property in the hands of an assignee for the benefit of creditors during the 120 days before filling this case and any property in the hands of a contract contract of the property of the prop	<del>-</del>					_
ist any property in the hands of an assignee for the benefit of creditors during the 120 days before filling this case and any property in the hands of coliver, custodian, or other court-appointed officer within 1 year before filling this case.    None				City	State ZIP Code	
Treet  Case number  Case number  Case number  Case number  Case number  Case number  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  City  State  ZIP Code  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code	Custodian's name and address		Description of the prope	erty	Value	
Name   Street   Street     Street	ustodian's name		Case title		Court name and addre	ess
Date of order or assignment  City  State  ZIP Code  City  State  ZIP Code  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code  Date of order or assignment  City  State  ZIP Code	Street				Name	
Certain Gifts and Charitable Contributions  st all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of that recipient is less than \$1,000  None  Recipient's name and address  Description of the gifts or contributions  Dates given  Value  treet  State ZIP Code	City State	ZIP Code	Case number		Street	
st all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of that recipient is less than \$1,000  None  Recipient's name and address  Description of the gifts or contributions  Dates given  Value  treet  State ZIP Code			Date of order or assignm	nent	City	State ZIP Code
st all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of that recipient is less than \$1,000  None  Recipient's name and address  Description of the gifts or contributions  Dates given  Value  treet  State ZIP Code						
that recipient is less than \$1,000 None  Recipient's name and address  Description of the gifts or contributions  Dates given  Value  treet  State ZIP Code						
ecipient's name  treet  ity State ZIP Code						
ity State ZIP Code	ist all gifts or charitable contribu	itions the d		within 2 years before	re filing this case unless	the aggregate value of
ity State ZIP Code	ist all gifts or charitable contribute that recipient is less than \$1,00	itions the d	lebtor gave to a recipient			
	ist all gifts or charitable contribute that recipient is less than \$1,00 None  Recipient's name and address	itions the d	lebtor gave to a recipient			
Recipient's relationship to debtor	ist all gifts or charitable contribute that recipient is less than \$1,00 In None  Recipient's name and address  Recipient's name	itions the d	lebtor gave to a recipient			
Recipient's relationship to deptor	ist all gifts or charitable contribute that recipient is less than \$1,00 In None  Recipient's name and address Recipient's name	itions the d	lebtor gave to a recipient			
	ist all gifts or charitable contribute that recipient is less than \$1,00 In None  Recipient's name and address Recipient's name  Street  State	itions the d	lebtor gave to a recipient			

ebto	Case 2:24-hk-12079-VZ Do	c 298-3 Filed 11/19/24 Entered 13 on of Gerrick Warrington Page 86 of	1/19/24 16:53 humber (if known) 227	:28 Desc
Part		3 3		
10.	All losses from fire, theft, or other casualty within   ✓ None	in 1 year before filing this case.		
	Description of the property lost and how the loss occurred	Amount of payments received for the loss If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received.  List unpaid claims on Official Form 106A/B (Schedule A/B: Assets – Real and Personal Property).	Date of loss	Value of property lost
10.1.				
Part	t 6: Certain Payments or Transfers			
	Payments related to bankruptcy			
	List any payments of money or other transfers of pr	roperty made by the debtor or person acting on behalf of s, that the debtor consulted about debt consolidation or r		
11.1.	Who was paid or who received the transfer?	If not money, describe any property transferred	Dates	Total amount or value
	Brown Law Firm P.C.	(for 2 related bankruptcies)	06/02/2023	\$15,000.00
	Address	1		
	715 S. Elgin Ave.	_		
	Street			
	Tulsa, OK 74120-0000	<del>-</del> -		
	City State ZIP Code			
	Email or website address			
	Who made the payment, if not debtor?			
	Troy Burgess	-		
12.	Self-settled trusts of which the debtor is a benef List any payments or transfers of property made by self-settled trust or similar device.	iciary the debtor or a person acting on behalf of the debtor wi	thin 10 years before	the filing of this case to a
	Do not include transfers already listed on this states ${\bf M}$ None	ment.		
12.1.	Name of trust or device	Describe any property transferred	Dates transfers were made	Total amount or value
	Trustee			

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

page 7

page 8

State   Continue   C	ebto	Name	vorlawiae Ok, Inc n Care Bankruj	Decia	ration of Gerrick Wa	rrington—Page 88	of 227	3:28 Desc	
Is the debtor primarily engaged in offering services and facilities for: dagnosing or retaining injury, deforming or desizes, or providing any surgical, psychiatric, drug treatment, or obstetric care?    Yes. Fill in the information below.			·						
Facility name and address   Nature of the business operation, including type of services the debtor provides meals and housing, number of patients in debtor's care patients in debtor's care patients in debtor's care		Is the debto —diagnosii —providing	r primarily engageng or treating injuans any surgical, psy	ry, deformity, or	disease, or				
Street   Location where patient records are maintained (idifferent from facility and tess). If electronic, identify any service provider.   How are records kept?		Yes. Fill	in the information	below.					
Street  City State ZIP Code    City   State   ZIP Code		Facility na	me and address			ation, including type of serv	and hou	sing, number of	
City   State   ZIP Code   Location where patient records are maintained(if different from facility address). If electronic, identify any service provider.   Check all that apply:   Electronically   Paper	15.1.								
City State ZIP Code    Check all that apply:   Check a		Facility name							
City State ZIP Code  Check all that apply:  Electronically  Paper  Part 9. Personally Identifiable Information  16. Does the debtor collect and retain personally identifiable information of customers?  No.  Yes. State the nature of the information collected and retained.  Does the debtor have a privacy policy about that information?  No  Yes  17. Within 6 years before filling this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b) or other pension or profits sharing plan made available by the debtor as an employee benefit?  No. Go to Part 10.  Yes. Does the debtor serve as plan administrator?  No. Go to Part 10.  Yes. Fill in below:  Name of plan  Employer identification number of the plan  EIN:		Street			•	•		records kept?	
Paper		City	State	ZIP Code		Tuesting any control provides	Check al		
16. Does the debtor collect and retain personally identifiable information of customers?   17. No.   Yes. State the nature of the information collected and retained.   Does the debtor have a privacy policy about that information?   No   Yes.   No   Yes.   Yes				,				· ·	
So   Does the debtor collect and retain personally identifiable information of customers?   No.   Yes. State the nature of the information collected and retained.   Does the debtor have a privacy policy about that information?   No   Yes.   No.   Yes.									
16. Does the debtor collect and retain personally identifiable information of customers?   17. No.   Yes. State the nature of the information collected and retained.   Does the debtor have a privacy policy about that information?   No   Yes.   No   Yes.   Yes									
No.   Yes. State the nature of the information collected and retained.   Does the debtor have a privacy policy about that information?   No   No   Yes	Part	t 9: Perso	nally Identifiak	ole Informati	on				
Does the debtor have a privacy policy about that information?   No   Yes	16.	_	ebtor collect and	retain persona	ally identifiable information of	of customers?			
Does the debtor have a privacy policy about that information?   No   Yes		Yes. Stat	te the nature of the	e information co	ollected and retained.				
Yes									
17. Within 6 years before filling this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b) or other pension or profit-sharing plan made available by the debtor as an employee benefit?    No. Go to Part 10.     Yes. Does the debtor serve as plan administrator?     No. Go to Part 10.     Yes. Fill in below:     Name of plan   Employer identification number of the plan     Eln:     Has the plan been terminated?     No			No						
sharing plan made available by the debtor as an employee benefit?  No. Go to Part 10.  Yes. Does the debtor serve as plan administrator?  No. Go to Part 10.  Yes. Fill in below:    Name of plan			Yes						
Yes. Does the debtor serve as plan administrator?   No. Go to Part 10.     Yes. Fill in below:   Name of plan   Employer identification number of the plan     EIN:     Has the plan been terminated?     No		sharing pla	n made available			or been participants in any	ERISA, 401(k), 403(b	or other pension or p	ofit-
Name of plan  Employer identification number of the plan  EIN:  Has the plan been terminated?  No  Yes  Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units  18. Closed financial accounts  Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?  Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was  Last balance									
Yes. Fill in below:   Name of plan		_		•	nistrator?				
Name of plan    Employer identification number of the plan		_							
Has the plan been terminated?  No Yes  Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units  18. Closed financial accounts Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was  Last balance		U.							
Has the plan been terminated? No Yes  Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units  18. Closed financial accounts Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was  Last balance			Name of plan			Employer id	entification number of	the plan	
Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units  18. Closed financial accounts  Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was  Last balance						EIN:			
Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units  18. Closed financial accounts  Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?  Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was			Has the plan be	een terminated	?				
Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units  18. Closed financial accounts  Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred?  Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was  Last balance			☐ No						
Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None    None   Date account was   Last balance   Date account was   Date account w			Yes						
Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None    None   Date account was   Last balance   Date account was   Date account w									
Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None    None   Date account was   Last balance   Date account was   Date account w									
Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None    None   Date account was   Last balance   Date account   Date	Part	t 10: Certa	ain Financial A	ccounts, Sa	fe Deposit Boxes, and St	orage Units			
or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.  None    Type of account   Date account was   Last balance   Date account   Dat	18.								
cooperatives, associations, and other financial institutions.  None  Financial institution name and address  Last 4 digits of account  Type of account  Date account was  Last balance		or transferre	ed?	-					d,
		cooperative				nocted of doposit, and shale	o ar barnes, ordan ariidi	o, 210101ago 110uoco,	
		Financial i	nstitution name a	and address	_	•			

Case 23-80391

ebto	or Case 2:24-bk-12079-VZ	Doc 298-3 Filed	11/19/24 <u>I</u>	=ntered 11/19/24 16:5: Page 89 of 227	3:28 Desc
	Name Decia	ration of Gerrick W	arrington P	age 89 of 227	
18.1	Arvest Bank	XXXX- <u>1_4_1_4</u>	<b>✓</b> Checking	1/3/2023	\$11,385.90
	Name		Savings		
	502 South Main		☐ Money mark	ot .	
	Street		Brokerage		
	Tulsa, OK 74103-0000		Other		
	City State ZIP Code				
19.	Safe deposit boxes				
	List any safe deposit box or other depository	for securities, cash, or other	valuables the debt	or now has or did have within 1 ye	ear before filing this case.
	None				
19.1	Depository institution name and address	Names of anyone with a	ccess to it De	escription of the contents	Does debtor
					still have it?
	Name				☐ No
	Name				☐ Yes
	Street				
		Address	_		
			_		
	City State ZIP Code				
20.	Off-premises storage				
	List any property kept in storage units or ware	ehouses within 1 year before	filing this case. Do	not include facilities that are in a	part of a building in which the
	debtor does business.				
	None				
20.1	Facility name and address	Names of anyone with a	ccess to it De	escription of the contents	Does debtor still have it?
	<u>Don's Repair</u> Name		<u>Bo</u>	bcat	<b>□</b> No
	Name				<b>☑</b> Yes
	Street				
		Address	_		
	City State 7ID Code				
	City State ZIP Code				
Par	t 11: Property the Debtor Holds or Co	ntrols That the Debtor	Does Not Own		
21.	Property held for another				
	List any property that the debtor holds or confleased or rented property.	trols that another entity owns	s. Include any prop	erty borrowed from, being stored f	or, or held in trust. Do not list
	None				
	Owner's name and address	Location of the pro	norty	Description of the property	Value
		Location of the pro	рренту		
	Central States Reprocessing, LLC Name	473617 East 610 Ro	<u>d</u>	(1) 18720A Used 37" x 61"	<u>\$950,000.00</u>
	4121 Nw 37th St			Herbold Granulator, Model SM	<u>15</u>
		Watts, OK 74964		80/160 and (2) a 2000 China	
	Street				
				Made Grinder 100 HP With	<u> </u>
	Lincoln         NE         68524           City         State         ZIP Code			Made Grinder 100 HP With Control Panel	_
	Lincoln NE 68524				_

Debto	Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc CSR Worldwide OR, Inc. Declaration of Gerrick Warrington Page 90 of 227
Par	t 12: Details About Environmental Information
	the purpose of Part 12, the following definitions apply:  Environmental law means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the
	medium affected (air, land, water, or any other medium).  Site means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.
	Hazardous material means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.
Rep	ort all notices, releases, and proceedings known, regardless of when they occurred.

22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.

23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an

State

ZIP Code

ZIP Code

Governmental unit name and address

Governmental unit name and address

Nature of the case

Environmental law, if known

Environmental law, if known

Court or agency name and address

Name

Street

Name

Street

24. Has the debtor notified any governmental unit of any release of hazardous material?

Name

Street

City

Official Form 207

**√** No

Case title

Case number

environmental law?

☐ Yes. Provide details below.

☐ Yes. Provide details below.

Site name and address

State

ZIP Code

ZIP Code

Site name and address

**√**No

Name

Street

City

**√** No

Name

Street

City

☐ Yes. Provide details below.

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

State

page 11

Status of case

Pending

On appeal

☐ Concluded

Date of notice

Date of notice

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Declaration of Gerrick Warrington Page 91 of 227

Part 13: Details About the Debtor's Business or Connections to Any Business 25. Other businesses in which the debtor has or has had an interest List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules. **Business name and address** Describe the nature of the business **Employer Identification number** Do not include Social Security number or ITIN. **CSR-OK Real Estate Holding** Real Estate and Equipment Holding Company EIN: <u>8 1 - 3 4 6 1 6 7 7</u> Company, LLC Dates business existed Name 473617 E 610 Rd From <u>4/23/2021</u> To <u>Present</u> c/o CSR Worldwide OK, Inc. Watts, OK 74964 State ZIP Code City 26. Books, records, and financial statements List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case. None Name and address Dates of service 26a.1. Forked Pine Consulting, LLC From <u>4/23/2021</u> To Present Name 126 Falcon Lane Street Lyons, CO 80540 City State ZIP Code Name and address Dates of service 26a.2. Dana F. Cole & Company LLP To . From. Name 1248 O St Ste 500 Lincoln, NE 68508-1424 ZIP Code City State List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case. None Name and address Dates of service <sup>26b.1.</sup> Forked Pine Consulting, LLC To Name 126 Falcon Lane Street Lyons, CO 80540 City State ZIP Code List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed. None

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Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

Official Form 207

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ebtor	Case 2:24-bk-120	79-VZ	Doc 298-3	Filed 11/19/2	24 Entere	d 11/19/24 16:53:28	)esc
	Name	Decia	tration of Ge	mck warningto	n Page 9	3 01 227	
26c.1.	Name and address					If any books of account and recunavailable, explain why	ords are
200.11	Forked Pine Consulting, LLC Name 1248 O St						
	Street Lincoln NIE 69509 4424						
	Lincoln, NE 68508-1424 City		State	ZIP Code			
26d.	statement within 2 years bef			, including mercanti	le and trade ag	gencies, to whom the debtor issu	ıed a financial
	None						
	Name and address						
26d.1.	Bank of Hays Name						
	1000 West 27th Street						
	Attn: Brandon Brough						
	Hays, KS 67601 City		State	ZIP Code			
	Name and address						
26d.2.	Arvest Bank Name						
	801 John Barrow Road Suite 51 Street	6					
	c/o Rachel Hart						
	Little Rock, AR 72205 City		State	ZIP Code			
	Name and address		Otate	Zii Code			
26d.3.	REI Subsidiary CDE 22. LLC Name				_		
	2912 Enterprise Dr						
	Street						
	c/o REI Development Corp.  Durant, OK 74701-1954						
	City		State	ZIP Code			
27. lı	nventories						
H	Have any inventories of the debto  ☐No	or's property	been taken within	2 years before filing the	nis case?		
	$ \mathbf{\Lambda} $ Yes. Give the details about the	e two most i	recent inventories.				
	Name of the person who super	vised the ta	aking of the invent	ory	Date of inventory	The dollar amount and basis (o other basis) of each inventory	ost, market, or
1	Bank of Hays				March 2023		\$0.00
Ī	Name and address of the person	on who has	possession of inv	ventory records			
27.1. բ			,				
	Bank of Hays Name						
	1000 West 27th Street						
	Street Attn: Brandon Brough						
Ŀ	Hays, KS 67601						
	City	Sta	ate Z	IP Code			

GW-093

ebtor	Case 2:24-bk-12	2079-VZ Doc 298-3  Declaration of Gerric	Filed 11/19/24	Entered 11	/19/24 16:5 hmber (if known)	5 <u>3:28</u> E	esc
	Name ist the debtor's officers, dire ontrol of the debtor at the ti	ectors, managing members, gener	•	•		ders, or othe	r people in
	Name	Address		Position and n	ature of any	% of	interest, if any
Ē	Burgess, Troy Don	8505 Nw 126th St Malcolm, NE 68	402-9779	Chief Executive Shareholder	Officer,		65.00%
[	Bombola, Steven Francis	2900 Catalpa St Newport Beach, C	CA 92660-3221	President, Shar	eholder		30.00%
[	David Schwarcz	2350 Castle Heights Ave Los Ange 90034-1050	eles, CA	Secretary, Share	eholder		5.00%
<b>t</b> l		g of this case, did the debtor have n control of the debtor who no lor			s, general partr	ners, membe	rs in control of
	Name	Address		Position and natu interest	ire of any	Period duri position or held	ng which interest was
	_			,		From	
						To	
[	Within 1 year before filing this credits on loans, stock redemp  ☐ No  ☑ Yes. Identify below.  Name and address of recipie		der with value in any for		other compens  Dates		bonuses, loans,
			and value of proper			the v	alue
_	Burgess, Troy Don Name			\$500.00	4/6/23	<u>Expen</u>	se ursement
8	3505 Nw 126th St			\$3,000.00	5/19/23		aroomone
,	Street			\$2,500.00	5/24/23		
	Malcolm, NE 68402-9779 City	State ZIP Code					
	Relationship to debtor						
9	Chief Executive Officer						
[	√No	nis case, has the debtor been a m	ember of any consoli	dated group for ta	x purposes?		
l	Yes. Identify below.			F	- d	. C. (lb	
	Name of the parent corpo	ration		Employer Identific		of the parent	corporation
				EIN:			
		nis case, has the debtor as an emp	ployer been responsi	ble for contributin	g to a pension	fund?	
	☑No ☑Yes. Identify below.						
·	Name of the pension fund	ı		Employer Identific	ation number o	of the pension	n fund
				EIN:		, , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,
					<b>_</b>		
Part	14: Signature and Decla	eration					
en t	orginature and Decie						

Debtor	Case 2:24-bk-12079-VZ D CSR Worldwide OK, Inc. Declarat	oc 298-3 File ion of Gerrick V	d 11/19/24 Varrington	Entered 11/19/ Page 95 of 227	24 16:53:28 F(if known)	Desc
	RNING Bankruptcy fraud is a serious crime. Nukruptcy case can result in fines up to \$500,000	•				
	we examined the information in this Statement of ect.	of Financial Affairs and	any attachments	and have a reasonable b	elief that the inform	ation is true and
l de	clare under penalty of perjury that the foregoing	is true and correct.				
Exe	cuted on 06/06/2023 MM/ DD/ YYYY					
X	/s/ Troy Don Burgess Signature of individual signing on behalf of the debtor		e	Troy Don Burgess		
P	osition or relationship to debtorCEO					
Are	additional pages to Statement of Financial Af	fairs for Non-Individua	Is Filing for Bani	cruptcy (Official Form 20	7) attached?	

Yes

Fill in this information to iden	tify the case:		
Debtor name	CSR Worldwide OK, Inc.	_	
United States Bankruptcy Co	ourt for the:		
E	astern District of Oklahoma		
Case number (if known):			Check if this is an amended filing

# Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an *insider*, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and government	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim  If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.			
			government contracts)		Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim	
1	Allied Dies Inc 800 Cashman Drive Chippewa Falls, WI 54729	(715) 720-1872 accounting@allied-dies.com	Vendor	Disputed			\$28,682.50	
2	Bank of Hays Attn: Brandon Brough 1000 West 27th Hays, KS 67601	(785) 621-5571 bprough@bankofhays.com	Commercial Loan	Contingent Disputed Unliquidated	\$5,660,945.66	\$2,343,318.73	\$3,618,260.06	
3	Bank of Hays Attn: Brandon Brough 1000 West 27th Hays, KS 67601	(785) 621-5571 bprough@bankofhays.com	Line of Credit	Contingent Disputed Unliquidated			\$600,000.00	
4	Bunting Magnetics Po Box 468 Newton, KS 67114-0468	(316) 284-2020 newton@buntingmagnetics.com	Vendor	Disputed			\$5,850.50	
5	Dana F. Cole & Company, LLP 1248 O St Ste 500 Lincoln, NE 68508-1424	(402) 479-9300 services@danacole.com	Professional Services	Disputed			\$2,850.00	
6	David Hanf 7309 Rye Hill Rd E Fort Smith, AR 72916		Wages	Disputed			\$22,047.99	
7	Greenview Materials. Inc. 1800 W Rogers Ave Appleton, WI 54914-5001	(636) 432-1144 accounting@gvmat.com	Vendor	Disputed			\$91,056.92	
8	Herbold Meckesheim USA Resource Recycling Systems Inc. 130 Industrial Drive North Smithfield, RI 02896	(401) 597-5500 info@herboldusa.com	Vendor	Disputed			\$4,661.09	

GW-096

# Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 97 of 227

Debtor CSR Worldwide OK, Inc.

Name

Case number (if known) \_

	Name							
ı	Name of creditor and complete nailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of the claim (for example, trade debts, bank loans, professional services, and	Indicate if claim is contingent, unliquidated, or disputed	Amount of unsecured claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.			
			government contracts)		Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim	
9	Internal Revenue Service		Social Security				\$63,704.03	
	Po Box 7346 Philadelphia, PA 19101-7346		Withholding Taxes					
10	Internal Revenue Service Po Box 7346 Philadelphia, PA 19101-7346		Federal Withholding Taxes				\$39,740.54	
11	Internal Revenue Service Po Box 7346 Philadelphia, PA 19101-7346		Medicare Withholding Taxes				\$14,898.50	
12	J.B. Hunt Transport, Inc. Po Box 847977 Dallas, TX 75284-7977	(800) 643-3622 x51759 AR_Customer_Remits@jbhunt.com	Vendor	Disputed			\$7,737.03	
13	Oklahoma Tax Commission 2501 N. Lincoln Blvd Oklahoma City, OK 73103-0000		State Withholding Taxes				\$12,302.01	
14	Pipelife Jet Stream 1700 S Lincoln St Siloam Springs, AR 72761	(479) 524-5151 andy.hall@generalshale.com	Vendor	Disputed			\$49,285.99	
15	R & R Express Logistics PO Box Box 72124 Cleveland, OH 44192	(800) 223-8973 billing@shipgt.com	Shipping	Disputed			\$33,075.00	
16	Swank's Welding 58566 S. 700 Road Watts, OK 74964	(479) 238-3706 swankswelding2009@yahoo.com	Vendor	Disputed			\$4,200.00	
17	Total Recycling Paper & Plastic PO Box 1970 Lowell, AR 72745	(479) 770-6502 cathy.benton@totalen.net	Vendor	Disputed			\$28,589.36	
18	Uline Attn: Accounts Receivable Po Box 88741 Chicago, IL 60680-1741	(888) 884-6910 customer.service@uline.com	Vendor	Disputed			\$2,685.84	
19	W-J Inc. 34180 Solon Road Solon, OH 44139	(440) 248-8282	Vendor	Disputed			\$22,177.50	
20	Zahav Asset Management, LLC 234 Cedarhurst Ave Apt 21b Cedarhurst, NY 11516-1608	(514) 464-1700 info@zahavassetmgmt.com 391 Doc 1 Filed 06/06	Factoring Agreement	Disputed 06/06/23 0	\$17,450.00 9·47·02	\$1,255.10 Desc Main	\$16,194.90	

Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 98 of 227

B2030 (Form 2030) (12/15)

# United States Bankruptcy Court Eastern District of Oklahoma

In re	C	CSR Worldwide O	K, Inc.								
							Case No.				
Debto	r						Chapter	11			
			DISCLOSURE (	OF COM	/IPENSATI	ON OF AT	TORNEY I	FOR DEB	ΓOR		
1.	con	npensation paid to	C. § 329(a) and Fed. E o me within one year behalf of the debtor(s	efore the	filing of the p	petition in ba	inkruptcy, or a	greed to be	paid to me	e, for services	
	For	legal services, I h	nave agreed to accept	t						\$15,000.00	<u>)</u>
	Pric	or to the filing of th	nis statement I have re	eceived						\$15,000.00	)
	Bala	ance Due								\$0.00	<u>)</u>
2.	The	e source of the cor	mpensation paid to m	e was:							
		Debtor	✓ Other (specify)	Troy Bu	urgess						
3.	The	e source of compe	ensation to be paid to	me is:							
		Debtor	✓ Other (specify)	Troy Bu	urgess and D	ebtor					
4.		I have not agreed firm.	d to share the above-	disclosed	compensation	on with any c	other person u	inless they a	re membe	rs and assoc	ciates of my
	I have agreed to share the above-disclosed compensation with a other person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.										
			paid a total of \$15,00 e fees deducted and			ilings, includ	ling CSR Wor	ldwide Inc. a	nd CSR-C	OK Real Esta	te Holdings
5.	In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:										
	a.	<ul> <li>Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;</li> </ul>									
	b. Preparation and filing of any petition, schedules, statements of affairs and plan which may be required;										
	c.	Representation	of the debtor at the m	neeting of	creditors and	d confirmatio	n hearing, an	d any adjour	ned hearir	ngs thereof;	
	d.	Note: Disclosure fees.	e of Compensation in	cludes pa	yments for 2	bankruptcy	cases. Couns	el will seek f	ee applica	ition for all po	st-petition
6.	Ву	agreement with th	ne debtor(s), the above	e-disclose	ed fee does n	ot include th	ne following se	ervices:			

B2030 (Form 2030) (12/15)

#### **CERTIFICATION**

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

06/06/2023 /s/ Ron Brown

Date Ron Brown

Signature of Attorney

Bar Number: 16352 Brown Law Firm PC 715 S. Elgin Ave Tulsa, OK 74120 Phone: (918) 585-9500

Brown Law Firm PC

Name of law firm

## Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 100 of 227

#### IN THE UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF OKLAHOMA OKMULGEE DIVISION

IN RE: CSR Worldwide OK, Inc.

CASE NO
CHAPTER 11

VERIFICATION OF CREDITOR MATRIX

The above named Debtor hereby verifies that the attached list of creditors is true and correct to the best of his/her knowledge.

Date 06/06/2023 Signature /s/ Troy Don Burgess
Troy Don Burgess, CEO

ACEC 3401 Kelley Hwy Fort Smith, AR 72914

ADG Solutions 4508 - B9 Bibb Blvd Tucker, GA 30084

Airgas USA, LLC (CO67) 1404 S Pleasant St Springdale, AR 72764-6225

Allied Dies Inc 800 Cashman Drive Chippewa Falls, WI 54729

Alternative Plastics 12579 Pioneer Ln. Gentry, AR 72734

Arvest Bank 502 South Main Tulsa, OK 74103-0000

Bank of Hays Attn: Brandon Brough 1000 West 27th Hays, KS 67601

Blue Bridge Financial, LLC 11921 Freedom Drive Suite 1130 Reston, VA 20190 Steven Francis Bombola 2900 Catalpa St Newport Beach, CA 92660-3221

Boyd Metals P.O. Box 819 Fort Smith, AR 72902

Bunting Magnetics Po Box 468 Newton, KS 67114-0468

Troy Don Burgess 8505 Nw 126th St Malcolm, NE 68402-9779

Stan Cash PO Box Box 444 Watts, OK 74964

Central States Reprocessing, LLC 4121 Nw 37th St Lincoln, NE 68524

Charles Greenough McAfee & Taft, P.C. 2 W 2nd St Ste 1100 Tulsa, OK 74103

Cherokee Nation Businesses LLC Attn: Chuck Garrett 777 W Cherokee St Catoosa, OK 74015-3235 Cold Shot Chillers 14343 Interdrive East Houston, TX 77032

Covenant Insurance Services, LLC 807 N Jim Thorpe Blvd. Prague, OK 74864

CSR-OK Real Estate Holding Company, LLC c/o CSR Worldwide OK, Inc. 473617 E 610 Rd Watts, OK 74964

Dana F. Cole & Company, LLP 1248 O St Ste 500 Lincoln, NE 68508-1424

David Hanf 7309 Rye Hill Rd E Fort Smith, AR 72916

Duffy Trading 2931 Francis Scott Key Highway Taneytown, MD 21787

Floyds Metal Buildings & Construction 187 County Road 514 Berryville, AR 72616

Forward Brokerage, LLC Po Box 310 Altoona, PA 16603-0310 Green Country Law Group, PLLC Attn: Jared A. DeSilvey 312 Court St Muskogee, OK 74401

Green Quest 440 J St Lincoln, NE 68508

Greenview Materials. Inc. 1800 W Rogers Ave Appleton, WI 54914-5001

Herbold Meckesheim USA Resource Recycling Systems Inc. 130 Industrial Drive North Smithfield, RI 02896

Hugg & Hall Equipment Co. P.O. Box 194110 Little Rock, AR 72219-4110

Internal Revenue Service Po Box 7346 Philadelphia, PA 19101-7346

J.B. Hunt Transport, Inc. Po Box 847977 Dallas, TX 75284-7977

Larkin Mechanical Company 507 E Main Street Siloam Springs, AR 72761 Latham, Steele, Lehman, Keele, Ratcliff, 1515 E 71st Street Ste 200 Tulsa, OK 74136-0000

Linder Recyclingtech America LLC 152 Walker Road Statesville, NC 28625

LLT Industries 3045 S 44th St Lincoln, NE 68506-3329

LRS 848 E Highway 264 Springdale, AR 72764-8210

Mark Industries, Inc. 715 Main St Cassville, MO 65625

Muehlstein 1900 Summit Tower Blvd Ste 900 Orlando, FL 32810

Oklahoma Tax Commission 2501 N. Lincoln Blvd Oklahoma City, OK 73103-0000

Pacifica Consultants, Inc 1000 N GVR Ste 653 Henderson, NV 89074 Pipelife Jet Stream PO Box 190 Siloam Springs, AR 72761

Processing Technologies Intl, LLC 2655 White Oak Circle Aurora, IL 60502

R & R Express Logistics PO Box Box 72124 Cleveland, OH 44192

REI Subsidiary CDE 22, LLC c/o REI Development Corp. 2912 Enterprise Dr Durant, OK 74701-1954

Sherwin Williams Co 101 W. Prospect Ave Cleveland, OH 44115

Smurfit Kappa 9709 Hwy 271 South Fort Smith, AR 72908

Star Mechanical Supply P.O. Box Springdale, AR 72765

Swank's Welding 58566 S. 700 Road Watts, OK 74964 Sylvane, Inc. 245 Hembree Park Dr Ste 124 Roswell, GA 30076-5702

System Scale 4393 West 96th Street Indianapolis, IN 46268

Thomas A. Creekmore Hall, Estill, et al. 512 E 2nd St Ste1200 Tulsa, OK 74120

Total Recycling Paper & Plastic
PO Box 1970
Lowell, AR 72745

#### Uline

Attn: Accounts Receivable Po Box 88741 Chicago, IL 60680-1741

Unishippers PO Box 21228 Dept 57 Tulsa, OK 74121-0000

USDA Rural Business Services for Oklahoma 100 Usda Ste 108 Stillwater, OK 74074-2651

VSC Fire & Security P.O. Box 1659 Rogers, AR 72756 Watts Public Works Authority 220 Second St. Watts, OK 74964

Wholesale Electric Supply P O BOX 1258 Texarkana, TX 75504

Wintech Windows 15 Old Stonebreak Rd Ballston Spa, NY 12020-4900

W-J Inc. 34180 Solon Road Solon, OH 44139

Zahav Asset Management, LLC 234 Cedarhurst Ave Apt 21b Cedarhurst, NY 11516-1608 Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 109 of 227

### United States Bankruptcy Court Eastern District of Oklahoma

Debtor(s)		
Denini(2)	Chapter	11
STATEMENT	(RULE 7007.1)	
in the above cap	valuate possible disqualifitioned action, certifies that (s) 10% or more of any contract the contract of the c	
Ron Brown		
J		
Norldwide OK, I	inc.	
	Litigant	

Email: ron@ronbrownlaw.com

Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc

# Declaration of Gerrick Warrington Page 110 of 227 UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF OKLAHOMA OKMULGEE DIVISION

IN RE: CHAPTER 11

**CSR Worldwide OK, Inc.** 

DEBTOR(S) CASE NO

### LIST OF EQUITY SECURITY HOLDERS

Registered Name of Holder of Security Last Known Address or Place of Business	Class of Security	Number Registered	Kind of Interest Registered
Troy Don Burgess 8505 NW 126th Street Malcolm, NE 68402	Regular Shares	520	
Steven Bombola 2900 Catalpa St. Newport Beach, CA 92660	Regular Shares	301	
Filder, LLC 21 Eye Street San Rafael, CA 94901	Regular Shares	80	
DRS Holdings, LLC 6310 San Vincente Blvd. Ste. 360 Los Angeles, CA 90048	Regular Shares	199	
South Wind Financial 6470 W Desert Inn Rd Las Vegas, NV 89146	Regular Shares	10	
David Schwarcz 473617 East 610 Road Watts, Ok 74964	Regular Shares	199	

### DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, the	CEO	of the	Nonpublic Corporation
	r in this case, declare under pena est of my information and belief.	alty of perjury that I h	nave read the foregoing list and that it is tru
Date: <b>06/06/2023</b>	S	ignature: /s/ Troy Do	3

#### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 111 of 227

### **Notice Recipients**

District/Off: 1086-7 User: admin Date Created: 6/7/2023

Case: 23-80391 Form ID: pdf017 Total: 1

Recipients submitted to the BNC (Bankruptcy Noticing Center): smg US Security and Exchange Commission 175 W. Jackson Boulevard Chicago, IL 60604

TOTAL: 1

## EXHIBIT 12

### IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF OKLAHOMA

BANK OF HAYS and REI SUBSIDIARY CDE 22, LLC,	)	
Plaintiffs,	)	23-CV-196-DES
vs.	)	
CSR WORLWIDE OK, INC.; et al.,	)	
Defendants.	)	

### **NOTICE OF REMOVAL**

Defendant the United States of America *ex rel*. the United States Department of Agriculture gives notice of the removal of the above-entitled action from the District Court of Adair County, Oklahoma, to the United States District Court for the Eastern District of Oklahoma.

- 1. On May 15, 2023, Plaintiffs filed an action in state court entitled *Bank of Hays and REI Subsidiary CDE 22, LLC, Plaintiffs, vs. CSR Worldwide OK, Inc., et al., Defendants*, in Adair County District Court, State of Oklahoma, Case No. CJ-23-36.
- 2. On May 18, 2023, Defendant the United States was served with summons and a copy of the Petition.
- 3. This action is an action against the United States of America, *ex rel*. the United States Department of Agriculture and is therefore removable by the United States under 28 U.S.C. §§ 1441(a) and 1442(a). No bond is required by the United States as set forth in 28 U.S.C. § 2679(d)(2).
- 4. This action has been removed within 30 days of service as required in *Murphy Brothers, Inc. v. Michetti Pipe Stringing, Inc.*, 529 U.S. 344, 119 S. Ct. 1322, 143 L. Ed. 2d 448 (1999).

- 5. Copies of all papers and pleadings filed in the state court case and a copy of the docket sheet are attached to this notice as Exhibits 1 16.
  - 6. A copy of this Notice of Removal is being served on Plaintiffs' counsel of record.
- 7. A copy of this Notice of Removal is being filed this date with the Clerk of the District Court of Adair County, Oklahoma.

DATED: June 13, 2023.

Respectfully submitted,

CHRISTOPHER J. WILSON United States Attorney

/s/ Michael J. O'Malley
Michael J. O'Malley, OBA #22252
Assistant United States Attorney
520 Denison Avenue
Muskogee, OK 74401
(918) 684-5100
(918) 684-5130
Michael.O'Malley@usdoj.gov

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### **CERTIFICATE OF SERVICE**

I hereby certify that on the 13<sup>th</sup> day of June 2023, I electronically transmitted the attached document to the Clerk of Court using the ECF System for filing and transmittal of Notice of Electronic Filing to the Following ECF registrants:

/s/ Michael J. O'Malley
Michael J. O'Malley, OBA #22252
Assistant United States Attorney

## EXHIBIT 13

### IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF OKLAHOMA

BANK OF HAYS et al.,	
Plaintiffs,	
vs.	
CSR Worldwide OK, Inc., et al.,	Case No. 23-CV-196-DES
Defendants.	

### MOTION TO HOLD CERTAIN DEFENDANTS IN CONTEMPT AND FOR WRIT OF ASSISTANCE

Bank of Hays (the "Bank") moves the Court pursuant to Rule 70 (d) and (e) Fed. R. Civ. P. to enter its order(s) granting the relief request below, and in support states as follows:

- 1. As used herein,
- (a) defendants CSR Worldwide OK, Inc. ("CSR WW") and CSR-OK Real Estate Holding Company, LLC ("CSR-OK") are collectively referred to as the "Borrowers;"
  - (b) defendant Steven Francis Bombola is referred to as "Bombola;"
  - (c) defendant Troy Don Burgess is referred to as "Burgess,"
  - (d) defendant Central States Reprocessing LLC is referred to as "Central States;"
- (e) the Borrowers, Bombola, Burgess, and Central States are collectively referred to as the "Subject Defendants;"
- (f) David R. Payne, in his capacity as the duly appointed and acting receiver of the Borrowers and the "Receivership Assets" under this Court's *Order Appointing Receiver* [doc. 24]) entered by this Court October 13, 2023 (the "Receiver Order"), is referred to as the "Receiver;" and

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(g) The *Declaration of Receiver* attached hereto as **Exhibit 1** signed under penalty of perjury by the Receiver is referred to as the "<u>Payne Declaration</u>"). Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Payne Declaration.

2. By this motion, the Bank moves the Court to enter:

(a) an order or orders holding (i) such of the Subject Defendants as is appropriate, and (ii) such other persons and entities as subsequently may be identified, in contempt for knowing and willful violation of the Receiver Order; and

(b) a Writ of Assistance in restoring to the Receiver all Receivership Assets removed from the Receiver's custody and control.

### Factual Background.

- 3. In intentional, knowing, and willful violation of the Receiver Order, Receivership Assets (as defined in the Receiver Order) consisting of Plant Equipment and Materials Inventory have been removed from the Borrowers' plant facility in Watts, Oklahoma, and Tolling Revenues have been diverted from the Receiver's custody and control (and into a bank account maintained and controlled by defendant Central States). While the Bank presently is unaware of the precise location of the removed Plant Equipment and Materials Inventory and is unaware of the specific identity of the party or parties who caused those assets to be removed from the Receiver's custody and control, it is without question that the Subject Defendants <u>do</u> know such location and identities. *See* email from Subject Defendants' counsel Nicholas R. Grillot attached to the Payne Declaration as Exhibit B (the "Grillot Email").
- 4. Defendants Bombola and Burgess are direct or indirect owners or executive officers (or both) of one or both of the Borrowers, and defendant Burgess is an owner and executive officer of Central States.
- 5. As reflected in the Payne Declaration, the Receiver believes that the removed Receivership Assets were removed by one of more of the Subject Defendants or by one or more

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of the Subject Defendants' control persons, affiliates, employees, or agents, or by some combination thereof. *See* Payne Declaration, ¶¶ 5-14.

- 6. Paragraph 4 of the Payne Declaration lists material provisions of the Receiver Order that have been violated by the removal of the Plant Equipment and Materials Inventory from the Facility and the deposit of Tolling Revenues into an account controlled by defendant Central States. Every person (whether individually or in the capacity as control person of an entity) having knowledge of the Receiver Order is bound to comply therewith, upon penalty of contempt for noncompliance. *See* Receiver Order at ¶ 34. Each of the Subject Defendants is unquestionably charged with knowledge of the Receiver Order. *See*, *e.g.*, the Subject Defendants' verified motion to vacate the Receiver Order filed herein at docket no. 53 (verified by Burgess).
- 7. As reflected in paragraph 5 of the Payne Declaration, the Receivership Assets removed from the Watts plant facility unquestionably were "tangible assets [involved with] the Mortgagors' respective business operations, and thus constituted Receivership Assets. *See* Receiver Order at ¶ 3(b).
- 8. While the Grillot Email expresses Mr. Grillot's "understanding that the equipment and machinery listed in the February 2023 appraisal the Bank obtained is still at the Watts facility," such understanding is incorrect. In the Payne Declaration, the Receiver makes clear from his personal knowledge (obtained from serving both as Chief Restructuring Office of the Borrowers during their respective bankruptcy cases, and as Receiver herein) that all of the raw material inventory was the Bank's collateral; that raw material inventory existed within the Watts plant facility when he inspected the plant facility prior to May 29, 2024; and that as of May 29, 2024, no raw material inventory was located within the plant facility. See Payne Declaration at ¶ 5. The Receiver also testifies that at least some of the equipment removed from the plant facility was

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known to be claimed by the Bank and others as collateral securing the Mortgagors' obligations

owed to the Bank and other claimants. Id. at ¶ 18. As evidenced by the Mortgagors' respective

bankruptcy schedules attached to the Payne Declaration, the Mortgagors collectively scheduled

the value of their equipment at amounts in excess of \$6,3000,000. See Payne Declaration, Annex

6A and 6B. Additionally, paragraph 6 of the Payne Declaration notes that in excess of \$137,000

of Tolling Revenue was diverted from the Receiver's control and was deposited into an account

maintained by Central States (and that over \$59,000 of such deposits were used to offset overdrafts

in the Central States account).

9. But even if the Subject Defendants truly believed that the items removed from the

Watts plant facility did not constitute collateral claimed by the Bank and others, all items of

equipment located in the Facility were "Receivership Assets" as contemplated by the Receiver

Order. See Receiver Order, ¶ 3(b) ("[The Receivership Assets include (without limitation)] all

tangible assets involving the Mortgagors' respective business operations. . .). Thus, removal of

those items (even if the items were not owned by the Mortgagors) nonetheless was a knowing and

willful violation of the Receivership Order's injunctions against "directly or indirectly transferring,

dissipating or otherwise disposing of any Estate property and proceeds thereof, or from otherwise

transferring, concealing, destroying or making any other disposition of any personal or corporate

assets that are Estate property, . . . and any other Estate real or personal property possessed or

controlled by any Mortgagor Parties, without prior authorization from this Court (see Receiver

Order at ¶ 12), and "any act to obtain possession of or to exercise control over the Estate or any

property thereof' (see Receiver Order at ¶ 20).

10. For over three weeks, the Receiver has requested substantive information from the

Subject Defendants (see Payne Declaration, Exhibits A-1 and A-2), including evidence of third-

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party ownership of assets removed from the Facility. Substantive responses have been minimal, at

best. See Payne Declaration, ¶ 19.

Requests for Relief.

Pursuant to Rule 70(e) Fed. R. Civ. P., the Bank requests the Court to (1) enter an A.

order (i) setting a hearing on this Motion on July 2, 2024, or as soon thereafter as is possible, (ii)

requiring each of the Subject Defendants to appear in-person at that emergency hearing to

show cause why the respective Subject Defendants should not be held in contempt for their

knowing and willing violations of the Receiver Order; and (2) at the conclusion of such hearing,

issue an appropriate order of contempt to such of the Subject Defendants (and such other persons

and entities as subsequently may be identified) as the Court deems appropriate.

В. Pursuant to Rule 70(d) Fed. R. Civ. P., the Bank requests the Court to issue a Writ

of Assistance directing the U.S. Marshals Services or other appropriate agency to assist the

Receiver in retrieving all Receivership Assets removed from the Receiver's custody and control.

WHEREFORE, the Bank moves the Court to grant the relief requested in Request for

Relief paragraphs (A) and (B), and for all other appropriate relief.

Respectfully submitted,

HALL, ESTILL, HARDWICK, GABLE,

**GOLDEN & NELSON, P.C.** 

s/Thomas A. Creekmore III

Thomas A. Creekmore III, OBA #2011 521 East 2nd Street, Suite 1200

Tulsa, Oklahoma 74120

Telephone: (918) 594-0400

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tcreekmore@hallestill.com

Counsel for Plaintiff Bank of Hays

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### **CERTIFICATE OF SERVICE**

I hereby certify that on June 26, 2024, I electronically transmitted this document to parties receiving notice under the Court's ECF System.

/s/ Thomas A. Creekmore III
Thomas A. Creekmore III

### IN THE UNITED STATES DISTRICT COURT EASTERN SISTRICT OF OKLAHOMA

Bank of Hays, et al.,	
Plaintiffs,	
vs.	
CSR Worldwide OK, Inc., et al.,	Case No. 23-CV-196-DES
Defendants.	

#### **Declaration of Receiver**

David R. Payne ("Declarant"), pursuant to 28 U.S.C. § 1746, declares as follows:

- 1. My name is David R. Payne ("Receiver"). I am over the age of twenty-one and I am competent in all respects to make this Declaration. I am the duly appointed and acting Receiver of the assets of CSR Worldwide OK, Inc. ("CSR WW") and CSR-OK Real Estate Holding Company, LLC ("CSR-OK") (each, a "Borrower" and collectively, the "Borrowers"). Unless otherwise stated herein, I have personal knowledge of all facts set forth in this Declaration, and all statements made herein are true and correct to the best of my knowledge and belief.
- 2. On October 13, 2023, this Court entered its *Order Appointing Receiver* [Doc. 24] (the "Receiver Order"), which pursuant to 12 O.S. § 1551 appointed me as Receiver of the Borrowers and the Receivership Assets (as defined in the Receiver Order), effective upon my filing of a Receiver's Bond (as defined in the Receiver Order) and my Receiver's Oath required by 12 O.S. § 1553.
- 3. On October 18, 2023, I filed the Receiver's Bond [Doc. 25] and the Receiver's Oath [Doc. 25-1] and have since that time been the duly appointed and acting Receiver of the Borrowers and the Receivership Assets.
  - 4. The Receiver Order specifically states the following:
    - 3. The Receiver is appointed under the authority of the Court as authorized under § 1551, and has been qualified, and is hereby ordered, authorized. and directed to immediately take possession and control of all Receivership Assets. The Receivership Assets include (without limitation):
    - a. the real property described on **Exhibit A** hereto, together with all fixtures and improvements thereon or thereto, and all rights pertaining thereto<sup>1</sup> (emphasis in original);

Which includes the "Facility" (as defined in ¶ 5 of this Declaration).

- b. all tangible assets involving the Mortgagors' respective business operations<sup>2</sup> (emphasis added); \* \* \*
- e. **all books, records and documents related** to all Receivership Assets and the Mortgagors' respective business operations (emphasis added); \*\*\*
- 4. . . . [T]he Receiver is ordered and authorized to manage the Receivership Assets to the best advantage of the Mortgagors' respective business operations, and to collect and receive all accrued or accruing revenues, collections, accounts, income, profits, and proceeds therefrom (all of such items are collectively referred to herein as the "Estate") (emphasis added). \*\*\*
- 8. . . . Upon the Receiver's written request, the Mortgagors shall provide the Receiver with a complete accounting for and explanation of all transfers by the respective Mortgagors of money and other property.
- 9. In the event that any parties to this case, or any subsidiaries or affiliates of any such parties, now possess or ever possessed assets that are now or ever were owned by either of the Mortgagors, those parties shall provide to the Receiver a detailed list of the asset(s) now possessed or previously possessed by them (and, to the extent possession of such asset(s) has been transferred by any of such parties, the identity of the transferee of the asset(s) and the consideration received for such transfer). All such assets shall be included in the Estate to the maximum extent allowed by law (emphasis added). \*\*\*
- 11. The parties to this case and all other persons or entities served with a copy of this Order shall cooperate fully with and assist the Receiver in the performance of the Receiver's duties subject to such person's or entity's valid assertion of a recognized privilege. The cooperation and assistance shall include, but not be limited to, the turnover of any and all Estate property, providing any information to the Receiver that the Receiver deems necessary to exercising the authority and discharging the responsibilities of the Receiver under this Order; providing any password required to access any computer or electronic files in any medium; turning over any assets (including cash and tangible assets); and advising all persons who owe money to the Mortgagors that all debts should be paid directly to the Receiver (bold emphasis in original; bold and italicized emphasis added).
- 12. The Mortgagors and all subsidiaries, affiliates, managers, members, shareholders, directors, officers, employees, agents, independent contractors and other natural or legal entities acting in

<sup>&</sup>lt;sup>2</sup> Which includes Materials Inventory and Plant Equipment (as those terms are defined in ¶ 5 of this Declaration).

concert with them (collectively, the "Mortgagor Parties")<sup>3</sup> are hereby enjoined from directly or indirectly transferring, dissipating or otherwise disposing of any Estate property and proceeds thereof, or from otherwise transferring, concealing, destroying or making any other disposition of any personal or corporate assets that are Estate property, including without limitation Estate funds in bank or brokerage accounts, Estate automobiles, and any other Estate real or personal property possessed or controlled by any Mortgagor Parties without prior authorization from this Court (emphasis added).\* \*\*

- 20. In order to promote judicial efficiency, all persons who receive actual or constructive notice of this Order are enjoined in any way from disturbing or in any way interfering with the Receiver's administration of the Estate or from prosecuting any new proceedings (including collection or enforcement proceedings) that involve the Receiver or the Estate unless such person or persons first obtains the permission of the Court or the Receiver. All parties to this case, all Mortgagor Parties, and all other persons and entities given notice of this Order are hereby enjoined from any and all of the following: . . . (2) any act to obtain possession of or to exercise control over the Estate or any property thereof . . . (emphasis added). \* \* \*
- 22. ... [Any] and all creditors of the Mortgagor Parties, and all parties in interest that claim a right, title, or interest in the Receivership Assets, are directed to file any civil or probate actions regarding the Mortgagor Parties or the Receivership Assets in the United States District Court for the Eastern District of Oklahoma and all such actions shall be consolidated with this case. \* \* \*
- 26. Excluding only the Plaintiffs, all persons and entities, including banks, controlling possession of any property of the Estate shall cooperate with the Receiver at the reasonable directions thereof. Upon presentation of this Order all persons or entities (excluding only the Plaintiffs), including banks, shall turn over to the Receiver all funds, operating bank accounts, and safety deposit boxes related to or associated with the Mortgagors without delay and delete all designated signors on the bank accounts existing prior to entry of this Order. (Emphasis added.) \* \* \*
- 34. ALL PERSONS HAVING NOTICE OF THIS ORDER ARE HEREBY ADVISED THAT THE TERMS OF THIS ORDER, INCLUDING BUT NOT LIMITED TO THE INJUNCTIVE RELIEF GRANTED HEREIN, SHALL BE ENFORCEABLE BY CONTEMPT AS

<sup>&</sup>lt;sup>3</sup> Bombola and Burgess are managers and members of the Mortgagors. CSR is owned and managed by Burgess and, as reflected below, Tolling Revenues (as defined in ¶ 5 of this Declaration) were deposited into a bank account owned and controlled by CSR. The Receiver thus believes that Burgess, Bombola, and CSR are "Mortgagor Parties" as that term is defined by the Receiver Order.

### WELL AS ANY OTHER MEANS AUTHORIZED BY LAW. (Emphasis in original.)

- 5. Both as Receiver of the Receivership Assets and as the Borrowers' Chief Restructuring Officer during the Borrowers' respective bankruptcy cases, I am knowledgeable of the Receivership Assets as defined in paragraph 3 of the Receiver Order that are utilized in the Borrowers' "Business Operations". Among the assets used in the Borrowers' Business Operations are: (a) waste materials inventory; (b) processed materials subject to billing for tolling services (collectively the waste materials and processed materials shall be referred to as the "Materials Inventory"); (c) equipment used in the Business Operations to process the Materials Inventory ("Plant Equipment"); (d) funds due and/or collected and/or received from "All Accrued or Accruing Revenues" as defined in paragraph 4 of the Receiver Order ("Tolling Revenues"); and (e) all "Books, Records and Documents" related to the respective Business Operations as defined in paragraph 3(e) of the Receiver Order ("Records"). Prior to May 29, 2024, I have inspected the Borrowers' Watts plant ("Facility") and observed therein such Materials Inventory and Plant Equipment.
- 6. I am also familiar with the representations made by the Borrowers in their respective Official Form 206A/B (Schedule A/B) ("Schedules") and Official Form 207 (Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy) ("SOFA") filed under penalties of perjury with the U.S. Bankruptcy Court on June 6, 2023 (relevant pages of which are attached hereto as Annex 6A-6D).
- A. As reflected in Item 41.1 of Schedule B filed by CSR-OK WW (*see* Annex 6-A, p. 1 of 3), CSR-OK stated under penalty of perjury that it owned the assets listed on pp. 2-3 of Annex 6-A (collectively, the "**CSR-OK Equipment**"), and that the CSR-OK Equipment had a current value in excess of \$5.8 million.
- B. As reflected in item 41.1 of Schedule B filed by CSR WW (see Annex 6-B, p. 1 of 2), CSR WW stated under penalty of perjury that it leased the CSR-OK Equipment from CSR-OK.
- C. As reflected in Item 41.2 of Schedule B filed by CSR WW (*see* Annex 6-B, p. 2 of 2), CSR-OK also stated under penalty of perjury that it owned a "PTi Model G6000 Extrusion Pelletizing System" having a current value of \$500,000.
- D. As reflected in Item 21 of CSR WW's SOFA (*see* Annex 6-C, p. 1), CSR WW identifies under penalty of perjury only two (2) equipment items ("**Asset Items**") of the Plant Equipment held or controlled by CSR WW that was owned by another entity. Specifically, CSR WW identified that it held or controlled the following property owned by defendant Central States Reprocessing, LLC: (i) 100 HP China Grinder with control panel; and (ii) Herbold Granulator.
- 7. On the evening of May 21, 2024, Steve Bombola, one of the Borrowers' principals and guarantors, contacted me to inform me that the Borrowers had removed property from the Facility since the Bank of Hays ("Secured Lender") was unwilling to accept the Borrowers' offer to buy the assets. I requested that Mr. Bombola provide to me the following information ("Asset Removal Information"): (i) a list and descriptions of each item of property; (ii) the time and date

the property was removed; (iii) which Defendants' employees and third party vendors/haulers participated in the removal of property; (iv) copies of all loading tickets, bills of lading and invoices evidencing the hauling of property from the Facility to its destination; and (v) photographs of all property that had been removed. By week's end (through May 25, 2024) Mr. Bombola had not provided any of the Asset Removal Information; rather, Mr. Bombola represented to me that what he had represented to me on May 21, 2024, was in "error" and "there was nothing taken from the plant". This representation is directly contrary to the representations received from Borrowers' counsel on May 31, 2021 (described below). Thereafter, I proceeded to coordinate a joint inspection of the Facility with the Secured Lender and the United States Department of Agriculture<sup>4</sup> ("USDA").

- 8. On May 29, 2024, I arranged to meet representatives of (a) the Secured Lender, (b) defendant, USDA, and (c) a third-party auctioneer at the Borrowers' Facility to inspect inventory, equipment and other collateral located in that plant. When I arrived, I discovered that my key to the gate and the office at the plant was not fully functioning.
- 9. I therefore placed a call to the Borrowers' representative, Troy Burgess, who said that he was directly adjacent to the Facility at a marijuana grow house property known as OGRE Village ("Grow House Property")<sup>5</sup> which is operated by some or all of the Borrowers' principals. Mr. Burgess said that he would proceed to the front of the Facility to open the gate and office.
- 10. Upon entering the Facility with Mr. Burgess on May 29, 2024, I observed that the ordinary levels of Materials Inventory and certain items of the Plant Equipment were no longer present at the Facility. I also observed that certain Plant Equipment had been moved and/or disconnected from the line configurations existing and present for the Business Operations. Mr. Burgess acknowledged to me at that time that certain items of property had been removed from the Facility based upon discussions with and/or upon disclosure to the Borrowers' counsel who had the appropriate Asset Removal Information.
- 11. After directing Mr. Burgess to surrender his keys and to not return to the Facility, I placed a call to and left a voice message with Nicholas Grillot (counsel for the Borrowers and affiliated guarantor defendants Central States Reprocessing LLC, Troy Don Burgess, and Steven Francis Bombola).
- 12. I next telephoned Bank of Hays' counsel Thomas Creekmore and relayed the details described in paragraphs 7-11 above. Mr. Creekmore shortly thereafter returned my call and announced that he was placing me in a conference call with Messrs. Creekmore and Grillot.
- 13. Mr. Grillot informed Mr. Creekmore and me that he had learned on May 28, 2024, that some items that had been located in the Facility had been removed by one or more of his clients or their affiliates or agents.

<sup>&</sup>lt;sup>4</sup> Paragraph 20 of the Petition filed herein [**Doc. 2-2**] alleges that USDA conditionally guaranteed a portion of the Borrowers' obligations to plaintiff Bank of Hays. Declarant has been informed and thus believes that USDA has satisfied all or part of that guaranty obligation.

<sup>&</sup>lt;sup>5</sup> The Grow House Property is titled in the name of TSD Rentals, LLC which on information is owned by Burgess, Bombola and David Schwartz (the latter of which holds himself to be the Borrowers' general counsel).

- 14. On May 31, 2024, I was informed by counsel for the Borrowers that the Borrowers' principals and guarantors undertook and conducted actions to remove ("**Property Removal Actions**") twenty-one (21) Asset Items located at the Facility which were utilized in the Mortgagors' respective **Business Operations** as defined in the Receiver Order. According to Borrowers' counsel, the Property Removal Actions were conducted between May 13 through May 19, 2024. The Borrowers did not notify the Receiver of their intentions, nor did the Borrowers provide any supporting records in accordance with paragraphs 4 and 9 of the Receiver Order to support their Property Removal Actions before the Asset Items were removed. The Borrowers did not request the consent of the Receiver nor this court to perform Property Removal Actions at the Facility in accordance with paragraphs 12, 20 and 22 of the Receiver Order.
- 15. Attached as **Exhibit A-1 and A-2** is a list of items/information that I demanded to be provided by Mr. Grillot's clients.
- 16. Attached as **Exhibit B** is correspondence received from Mr. Grillot in preliminary response to those demands.
- 17. Attached as **Exhibit C** is a (partial) list of Receivership Assets that I believe have been removed from the Facility and/or not turned over to the Receiver for proper management, oversight and administration in accordance with the Receiver Order.
- 18. Based on my review of loan documents, appraisals, and collateral lists provided to me by the Secured Lender, and filings made in this case, I believe that (a) certain Materials Inventory not tolled for customers and removed from the Facility, together with Tolling Revenues that were not turned over to the Receiver, are claimed by the Secured Lender to be collateral securing obligations owed to the Secured Lender by one or both of the Borrowers; and (b) some or all of the Plant Equipment removed from the Facility is claimed by one or more of the Secured Lender, plaintiff REI Subsidiary CDE 22, LLC, and defendant Blue Bridge Financial, Inc. to be collateral securing obligations owed to those parties by one or both of the Borrowers.
- 19. Three (3) weeks after requesting information from the Defendants' counsel, I received a partial production and related accounting from the Defendants and their control persons of the Tolling Revenues, Materials Inventory and Plant Equipment that was diverted from the custody of the Receiver and/or removed from the Facility. Defendants' counsel provided bills of lading, bank account statements and a listing of receipts and disbursements for the Borrower that relates to Tolling Revenues. To date, Defendants' counsel has not provided any documentation of ownership and title to the Plant Equipment. I will undertake a more complete forensic review of the Tolling Revenues, Materials Inventory and/or Plant Equipment that have been misappropriated and/or removed from the Receivership Estate and report to the Court and parties once the Defendants have produced the records and documents requested which are designated as Receivership Assets.
- 20. The bank account statements produced by Defendants' counsel report that the Tolling Revenues generated from use of the Plant Equipment were not deposited into a Borrower's bank account. Rather, Tolling Revenues were deposited into mingled account (acct. no ending 1592) ("Shared Operating Account") held in the name of guarantor Defendant Central States Reprocessing, LLC.

21. The Shared Operating Account includes receipts and disbursements for Central States Reprocessing, OGRE Village, the Borrowers and potential other legal entities. During my initial review of the Shared Operating Account, I observed that this account is regularly over drafted. I also observed that numerous deposits from invoicing the Borrower's Tolling Revenues were applied to existing overdraft balances present at the time of such deposits. A summary of Tolling Revenue deposits fully or partially consumed to repay the overdraft balances in the Shared Operating Account are summarized below:

Deposit Sale	Tolling Dayanua	Application to Existing Overdraft
Sale	Tolling Revenue	Overdran
10/12/2023	\$10,028.00	\$20,178.94
11/28/2023	12,984.00	11,147.95
12/6/2023	9,713.36	12,109.19
12/18/2023	28,968.50	8,455.96
2/8/2024	7,178.40	13,631.83
4/9/2024	34,860.00	18,491.43
4/11/2024	27,569.14	6,998.43
5/3/2024	5,810.00	15,641.12
Total	\$137,111.40	
Less Amounts Not		
Applied to Overdrafts	(59,287.87)	
Revenue Collections Applied To Bank Overdrafts	\$ 77,823.53	

- 22. Based upon my review of the Shared Operating Account and other documents, it appears that the Defendants have not paid all the obligations they became liable for. A comprehensive forensic review to trace and potentially segregate activities between three (3) or more legal entities is expected to be time consuming and costly.
- 23. The lack of a separate bank account to conduct the Borrowers' business operations coupled with a lack of maintaining an accounting ledger has materially contributed to the cost of administering the Receivership Estate.
- 24. Additionally, the actions to divert and/or remove Tolling Revenues, Materials Inventory and Plant Equipment has directly caused the Receiver to incur significant time and expense that the Receiver Order attempted to avoid and has dissipated the net assets of the Receivership Estate.

- 25. Had the Defendants turned over the Tolling Revenues to the Receiver, the Receivership Estate could have reasonably conducted limited operations while an orderly sale process was undertaken. The Defendants' conduct to mingle and not turn over Tolling Revenue proceeds and perform Property Removal Actions has culminated in closure of the business operations.
- 26. I am aware that this Declaration is intended to be used by the Secured Lender's counsel in support of a motion to be filed by the Secured Lender seeking an order of contempt and a writ of assistance.

I declare under penalty of perjury that the foregoing is true and correct. Executed on June 26, 2024.

David R. Payne

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### Exhibit A-1 List of Items Requested

- 1. Name of the item;
- 2. A general description of the item;
- 3. When the item was removed from the Facility;
- 4. How the item was removed from the Facility;
- 5. Who removed it from the Facility;
- 6. Where the item is now, if known;
- 7. To the extent my clients know, why the item was removed from the Facility;
- 8. Bills of Lading from Tolling Work;
- 9. Invoices for Tolling Work;
- 10. For assets labeled as Items 1 through 21 (as disclosed by Borrowers' counsel on May 29, 2024) that were removed from the Facility, provide the data set forth on Exhibit B-2;
- 11. All tolling revenues and receipts from billing tolling services that were the direct result and proceeds for use of the Plant Equipment;
- 12. All bank account statements documenting the deposits of tolling revenues and the use/disposition (without Receiver authorization) of tolling revenues;
- 13. Utility bills for the Borrowers' affiliates, OGRE Village, LLC and TSD Rentals, LLC (the Facility has liens and piping interconnected to these affiliates that can impact utility costs);
- 14. Disclosure regarding whether or not the Borrowers' counsel represents OGRE Village and/or TSD Rentals; and
- 15. All closing documents, bank account statements and related documents evidencing the disposition of the net sales proceeds from \$400,000 property sale by the debtor to TSG Rentals, LLC.

[Note: The QuickBooks general ledger provided by the Borrowers is wholly incomplete and does not include sufficient relevant accounting entries to reasonably determine revenues, expenses, assets and liabilities.]

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### Exhibit A-2 List of Items Requested

- 1. Name of party that transported Items 1, 2 and 31; produce loading tickets and hauling invoices.
- 2. For Items 5, 6, 7, 8, 9: Provide name of customer, primary contact name at customer and contact number; provide name and contract/driver person for "Third Party Truck" for Items 5, 6, 7; provide tag and VIN # for "CSR Truck for Items 8, 9.
- 3. For Items 5, 6, 7, 8, 9: Provide weight, number of sacks, loading tickets and hauling invoices.
- 4. For Items 5, 6, 7, 8, 9: Provide CSR Worldwide OK's invoices for all tolling work performed from October 2023 to May 2024 for HDPE Repo, PP Repo, HDPE Regrind and HDPE Regrind/Shred products; provide weights and prices.
- 5. For Item 10 Provide tag # and VIN for Central States Reprocessing Truck.
- 6. Provide purchase and/or title documentation skid steer, hand tools, 3 Semi Trailers, Transformers, Miscellaneous Equipment, Cargo Trailer and Plywood, claimed to be owned by affiliates and/or principals of the Borrowers.
- 7. Title, keys and location of 1997 Ford F-150 and equipment described as "Bobcat" held by third party in debtors' Schedule of Assets.

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#### Exhibit B

#### David R. Payne

**From:** Grillot, Nicholas R. <ngrillot@hinklaw.com>

Sent: Friday, May 31, 2024 12:12 PM

**To:** Tom Creekmore; David R. Payne

Cc: Hohstadt, Tammy J.

Subject: Bank of Hays, et al v. CSR Worldwide OK, Inc., et al (Case #23 CV 196 / E.D. Okla) -

Update

Attachments: Layout Drawing of CSRWW Watts, Plant.pdf; CSR Worldwide 2023 Bank of

Hays\_Prough\_MEO 3950 4D\_INV\_DH-Capital Assets.pdf

Tom & David -

I'm following up our conversation on Wednesday and the email I sent to provide you an update with where I'm at in getting information and documentation regarding items that have left the Watts' plan since the receivership was established on October 13, 2023.

First, I've gotten all the bills of lading for the tolling work that was done since October 2023 through May 9, 2024. That was the only work performed since the establishment of the receivership of which I'm aware and the proceeds were used to pay wages and utilities. The .pdf files are larger and there is several of them. So I'd propose to send them to you through a DropBox link so that you can access them. That would also allow for additional documents to be included in the file and provided to you. Is that an acceptable approach?

Second, I'm told that there are several items which belonged to customers located in the Watts plant which customers retrieved after the most recent cessation of operations. My clients are in the process of providing information and documentation to me related to these items. Once I get this information and documentation, I'll organize it and produce it to you both.

From what I understand, I believe these items likely make up the bulk of the property that is being claimed as missing. However, without knowing what items are believed to be missing, it is difficult to zero in on more precise information and documentation to address your concerns.

Third, my client is in the process of providing me a list of items (including the customer items I mentioned in the previous paragraph) that have left the facility since October 13, 2023. This list doesn't include the customer's materials which were pelletized for the customer and sent back. Those materials are identified in the bills of lading that I will be sending you.

As for each item included in that list, my clients will be providing the following information:

- 1. Name of the item;
- 2. A general description of the item;
- 3. When the item was removed from the facility;
- 4. How the item was removed from the facility;
- 5. Who removed it from the facility;
- 6. Where the item is now, if known; and
- 7. To the extent my clients know, why the item was removed from the facility.

My client has provided me this information on some items, but is still in the process of completing it. I'm told that I should have a complete list to provide to you by the end of the day or tomorrow. Even if I don't have a completed list, I'll provide you with that list I have no later than tomorrow and let you know whether or not I've been told it is complete

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#### Exhibit B

or if there are additional items that still need to be included. I'm also working on getting documentation regarding each of those items, which I'll process and produce as soon as I'm able. If there is any additional information you'd like to be included in that list, please let me know and I'll work on getting it added.

Lastly, attached please find a schematic of the plant which has been cross-referenced with the machinery and equipment list from the February 2023 appraisal that shows the location of the items listed in that appraisal. This schematic should provide you with sufficient information to verify what property remains at the Watts' facility.

Again, I'll continue to provide information and documentation as I received it and able to process it. In the meantime, let me know if you have any questions or concerns regarding any of the information in this email or in the documents I've included in the DropBox file.





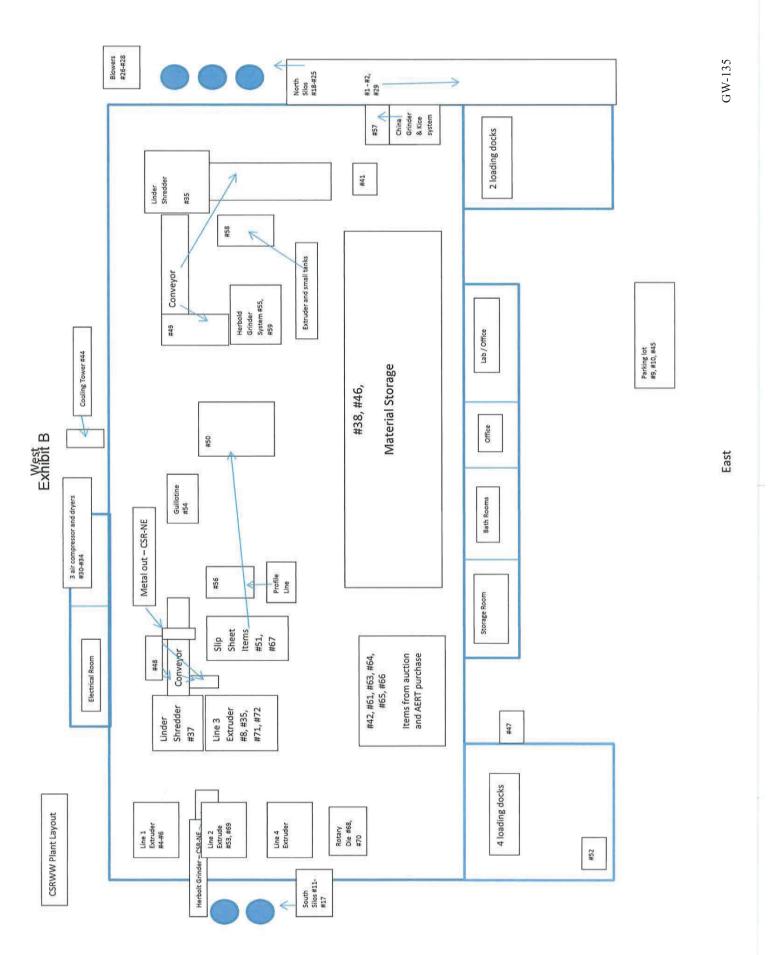
Nicholas R. Grillot | Member Hinkle Law Firm LLC 1617 N. Waterfront Pkwy, Suite 400 | Wichita, KS 67206-6639 p 316.660.6211 | f 316.660.6523 | ngrillot@hinklaw.com hinklaw.com

This communication contains confidential information which is legally privileged. The information is intended only for the use of the recipient named. If you have received this e-mail in error, please immediately notify us by telephone at 316.267.2000 or reply to this e-mail. You are hereby notified that any disclosure, copying, distributions or the taking of any action in reliance of the contents of this information is strictly prohibited. The information herein provided is not legal advice nor does it constitute the establishment of an attorney-client relationship.

Pursuant to federal regulations imposed on practitioners who render tax advice (Circular 230), we are required to advise you that any tax advice contained herein is not intended or written to be used for the purpose of avoiding tax penalties that may be imposed by the IRS.

This law firm is a debt relief agency It helps people file for bankruptcy relief under the Bankruptcy Code.

This communication is from a debt collector. Any information obtained will be used for that purpose.



	Item # Description	Make	Model	Serial Number	Useful Life Condition	Condition	FMV	010	FLV
1	Kimbell Gin Machinery-Blower		KGMD30		10 years	Good	10,000	7,000	3,000
2	Kimbell Carbon Steel Tank-11 ft cone bottom			30444	10 years	Good	5,000	4,000	2,000
8	Rapid Granulator	Rapid	2442-11	SQ644	10 years	Good	8,300	6,000	3,000
4	Super sack loader	KGM	Cyclone Tank		10 years	Good	10,000	2,000	3,000
2	Torquemaster Single Screw Extruder	Prodex	TMH 600-30	73-215	10 years	Good	13,500	10,000	4,000
9	Pelletizing Cutting Head	Gala	7	962239	10 years	Good	75,000	55,000	23,000
7	Hot Oil Unit	Sterico	G9016	95 E 5468	5 year	Fair	5,500	4,000	2,000
∞	Baltimore Air Cool Chiller		VT0107	UO64440001	10 years	Good	5,000	4,000	1,700
6	Carbon Steel Wash Basin	6 bottom discharges			5 year	Fair	7,500	5,000	2,000
10	Carbon Steel Wash Basin	12 bottom discharges			5 years	Fair	9,700	7,000	3,000
11	South Silo #8	Imperial Industries		1-258940-2	5 years	Good	15,000	11,000	5,000
12	South Silo #14	Imperial Industries		1-46495-2	5 years	Good	15,000	11,000	5,000
13	South Silo #13	Imperial Industries		1-46495-1	5 years	Good	15,000	11,000	5,000
14	South Silo #2	Peabody TecTank			5 years	Good	13,000	000'6	4,000
15	South Silo #6	Imperial Industries		1-25940-1	5 years	Good	13,000	000'6	4,000
16	South Silo #3	Peabody TecTank			5 years	Good	13,000	000'6	4,000
17	South Silo #4	Peabody TecTank		6-81976	5 years	Good	13,000	000,6	4,000
18	North Silo #2	Imperial Industries			5 years	Good	17,000	12,000	5,000
19	North Silo #1	Imperial Industries			5 years	Good	15,000	11,000	5,000
20	North Quarantine Silo #2	Peabody TecTank		62119	5 years	Good	16,000	12,000	5,000
21	North Quarantine Silo #1	Peabody TecTank		65113	5 years	Poop	16,000	12,000	5,000
22	North Blending Silo	Columbian TecTank		94082	5 years	Good	15,000	11,000	5,000
23	North Silo #3	Peabody TecTank			5 years	Good	19,000	14,000	6,000
24	North Silo #2	Peabody TecTank		40810	5 years	Good	19,000	14,000	6,000
25	North Silo #1	Peabody TecTank		40809	5 years	Good	19,000	14,000	6,000
56	Southland Solutions Blower	Roots Rotary Lobe Blower	418 Ram-J	11510924090	5 years	Good	7,500	5,000	2,000
27	Southland Solutions Blower	Roots Rotary Lobe Blower	418 Ram-J	606929032	5 years	Good	7,500	5,000	2,000
28	Southland Solutions Blower	Roots Rotary Lobe Blower	616 Ram-J	401971242	5 years	Good	5,000	4,000	2,000
29	Dust Collector	MAC	54AV516	142162-004-1	5 years	Good	6,400	5,000	2,000
30	Air Compressor - skid mounted	Sullair	LS-200S	200604230001	10 years	Good	56,000	41,000	17,000
31	Air Compressor - horizontal tank mount	Sullair	LS-10	003-107773	10 years	Good	6,000	4,000	2,000
32	Air Compressor - horizontal tank mount	Sullair	LS-10	003-100256	10 years	Good	6,000	4,000	2,000
33	Refrigerated Air Dryer	VanAir Systems	EMD 330A	08H-007552	10 years	Good	7,500	5,000	2,000
34	Refrigerated Air Dryer	Ingersoll Rand	DXR 750A	953DXR2871	10 years	Good	10,000	7,000	3,000
32	Floor mounted platform scale-5,000 lb capacity	WeighTronics	WI-125	75027	10 years	Good	200	350	200
36	Shredder including conveyors	Lindner	Meteor 2000	1424	10 years	Good	1,650,000	1,205,000	512,000
37	Shredder	Lindner	1800	1379	10 years	good	400,000	292,000	124,000
38	Man Lift	JLG	1930ES	200071986	10 years	Good	8,100	6,000	3,000
39	Forklift	Clark	ECS25	E350227	10 years	good	16,000	12,000	5,000
40	Gator	Kawaski	4010 Diesel		10 years	Good	7,900	6,000	2,000
41	Forklift	Caterpillar	2EP6000	FN4384342	10 years	Good	14,000	10,000	4,000
45	Forklift	Prim Mover	PR40	10877	10 years	Good	7,200	5,000	2,000
43	Refrigerated Trailers-12 qty-\$10,000 each	Great Dane/Utilitiy			10 years	Fair	120,000	88,000	37,000
4	Cooling Tower	SPX Max			10 years	Fair	27,000	20,000	8,000
45	Water Treating Equipment	Hart and Carter			10 years	Fair	45,000	33,000	14,000
46	Electric Articulating Boom Lift	JLG	E450AJ	300166783	10 years	Good	35,000	26,000	11,000
47	Diesel Articulating Boom Lift	Genie	2-60/34	26013-12305	10 years	Good	40,000	29,000	12,000
48	Belt Conveyor	Banda	36" x 19'5" TransportAdora		10 years	Good	3,000	2,000	1,000
49	Belt Conveyor	Banda	32" x 17'8" TransportAdora		10 years	Good	3,000	2,000	1,000
20	PTI Sheetline-Chill rolls	Pti Sheetline	R683018	4365/871	10 years	Good	120,000	88,000	37,000

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28 Used Strikfitt         Openior Exercision Une Screen changer, Pelletiter w/ temp control panel         Cateryllist         EXPENSION         10 years         Fig. 70         7,000         5,000         5,000         5,000         2,000         <	51	Winder	Parkinson	86-1017		10 years	Good	25,000	18,000	8,000
Used Enrighting Extrusion Line, Screen changes, Pelletizer w/ temp control panel         Ram/MSB/Berlinger         (*/e*/VMRP-35)         10 years         Good         70,000         51,000         22,00           Used Enrighmed Extrusion Line, Screen changes, Pelletizer w/ temp control         MGB         400         5,100         5,100         5,100         20,00         2,00 <t< th=""><th>52</th><td>Forklift</td><td>Caterpillar</td><td>2EP6000</td><td></td><td>10 years</td><td>Fair</td><td>30,000</td><td>22,000</td><td>000′6</td></t<>	52	Forklift	Caterpillar	2EP6000		10 years	Fair	30,000	22,000	000′6
Used Engineering Guillottine         MoB         48"         48"         400         5,700         4,000         2,00         4,000         2.0           10 Granulation Rotor & hopper & screen         H-tobot         5M/850/150 SX7-2         9/10/2008         10 years         Good         5,700         4,000         2.2           Single Screw Extruder v/ across cutting theorem Retem control         Kirce         1430         5,600         13,000         4,000         2.2           Multi-Aspirator Multi-Aspirator         Multi-Aspirator         10 years         Good         5,500         4,000         2.0           Anti-Aspirator         Multi-Aspirator         Multi-Aspirator         10 years         Good         5,500         4,000         2.0           Anti-Aspirator         Multi-Aspirator         Multi-Aspirator         10 years         Good         1,000         3.0           Averical Multing Machine         Multi-Aspirator         10 years         10 years         6.0         2.20         1,000         3.0           Verical Multing Machine         Multi-Aspirator         10 years         10 years         8.0         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000         1,000 </th <th>23</th> <th></th> <th>Ram/MGB/Beringer</th> <th>6"/6"/WRP-35</th> <th></th> <th>10 years</th> <th>Good</th> <th>000'02</th> <th>51,000</th> <th>22,000</th>	23		Ram/MGB/Beringer	6"/6"/WRP-35		10 years	Good	000'02	51,000	22,000
SMSB0/JEG SX7-2   9/10/2008   10 years   Good   90,000   66,000   28.     SIMSB0/JEG SX7-2   9/10/2008   10 years   Good   90,000   64,000   28.     SIMSB0/JEG SXW Extruder W   air cooled barrel Returp control   Multi-Aspirator   Multi-Aspirato	54	Used Engineering Guillotine	MGB	48"		10 years	Good	2,700	4,000	2,000
Multi-Aspirator         Application         Davis-Termatic III 3503         Application         40 years         Good         43,000         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         4,000         2,500         2,500         4,000         2,500         2,500         2,500         2,000         2,	22	2010 Granulator w/ cross cutting cheveron Rotor & hopper & screen	Herbold	SMS80/160 SX7-2	9/10/2008	10 years	Good	000'06	66,000	28,000
Multi-Aspirator   Milematic   H30   L468B2   L468B2   L466B2   L	26	Single Screw Extruder w/ air cooled barrel &temp control	Davis-Termatic III 3505			10 years	Good	13,000	000'6	4,000
Industrial Magnet   Industrial Machine	22	Multi-Aspirator	Kice	5H30	264688-2	10 years	Good	005'5	4,000	2,000
WEG         Nema 4         Nema 4         10 years         Good         10,000         7,000         3,000           Welder         Welder         10 years         6 ood         10,000         2,000         1,000	28	Industrial Magnet	Industrial Magnet	7'11" x 7'9" x 3'5"	01-MG-01	10 years	Good	10,000	2,000	3,000
Welder         Millermatic         252 MIG         400         2,20         2,000         2,000         1,000         2,000         1,000	59	Soft Start Panel 350-HP Custom Built-Granulator	WEG	Nema 4		10 years	Good	10,000	7,000	3,000
Vertical Milling Machine         Super Max         YC-1         C-1         C-1         C-1         C-10         1,000 </th <th>09</th> <td>Welder</td> <td>Millermatic</td> <td>252 MIG</td> <td></td> <td>10 years</td> <td>Good</td> <td>2,200</td> <td>2,000</td> <td>1,100</td>	09	Welder	Millermatic	252 MIG		10 years	Good	2,200	2,000	1,100
Vertical Milling Machine         Super Max         YC-1         C-1         Color         1,000         1	61	Vertical Milling Machine	Super Max	YC-1		5 years	Poor	2,000	1,000	800
Pelletizer   Extra control	62	Vertical Milling Machine	Super Max	YC-1		5 years	Poor	2,000	1,000	800
Rotary Dryer   Rotary Drye	63	Pelletizer	Killion	210	) 5462F	10 years	Good	1,500	1,000	400
Underwater Pellitizer w/ control         Gala Industries         A5-PAC-7         10 years         Good         9,000         7,000         9,000         7,000         7,000         7,000         9,000         7,000         7,000         9,000         7,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         9,000         15,000	64	Rotary Dryer	Gala Industries	16.3/DW Stainless Steel		10 years	Good	10,000	2,000	3,000
Underwater Pellitizer w/ control         Gala Industries         2 HP         10 years         Good         7,000         5,000         4           G' Reconditions Extruder         Union         EDI         Accuflow         10 years         Good         145,000         165,000         165,000         165,000         155,000	65	Underwater Pellitizer w/ control	Gala Industries	A5-PAC-7		10 years	Good	000'6	7,000	3,000
Green Control House Extruder   Union   Union   Accurliow   Accurlior   Accur	99	Underwater Pellitizer w/ control	Gala Industries	2 HP		10 years	Good	000'2	5,000	2,000
Co-Extrusion Die Block         EDI         Accuflow         Go-24413         10 years         Good         20,000         15,000           Torque AC Drive         Rodary Die Cutter w/ Greene Line Stacker         Corffine         Ge x 110         10 years         Good         9,000         6,650           Extrusion pelletzing system         PTI         G6000         10 years         Good         40,000         409,000           GFO 25 Melt Filter         10 years         Good         25,000         144,000         144,000	29	6" Reconditions Extruder	Union			10 years	Good	145,000	106,000	45,000
Torque AC Drive   Torque AC Drive   P1-05200-HFUF   10 years   Good   9,000   6,650   E,000   E,000	89	Co-Extrusion Die Block	EDI	Accuflow	05-24413	10 years	Good	20,000	15,000	6,000
Rotary Die Cutter w/ Greene Line Stacker   Corfine   66 x 110   10 years   Good   40,000   29,000     Extrusion pelletizing system   10 years   Good   25,000   409,000   409,000   409,000     Extrusion pelletizing system   10 years   Good   225,000   164,000   1,000	69	Torque AC Drive		P1-05200-HFUF		10 years	Good	000'6	6,650	3,000
Extrusion pelletizing system         PTI         G6000         FTI         G6000         409,000	70	Rotary Die Cutter w/ Greene Line Stacker	Corfine	66×110		10 years	Good	40,000	29,000	12,000
CFO 25 Melt Filter         10 years         Good         225,000         164,000           Total         4,283,000         3,124,000         1,3	71	Extrusion pelletizing system	PTI	G6000		10 years	Good	560,000	409,000	174,000
4,283,000 3,124,000	72	CFO 25 Melt Filter				10 years	Good	225,000	164,000	70,000
4,283,000 3,124,000										
						Tol	tal	4,283,000	3,124,000	1,330,000

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#### Exhibit C

- 1. All daily production/throughput/usage reports.
- 2. All tolling revenues and receipts from billing tolling services that were the direct result and proceeds for use of the Plant Equipment.
- 3. All bank account statements documenting the deposits of tolling revenues and the use/disposition (without Receiver authorization) of tolling revenues.
- 4. All Books, Records and Documents related to items 1, 2 and 3 above.
- 5. China Grinder, Blades and Kice Grinder Processing System located in the northeast corner of the Facility. (A)
- 6. Two (2) Air Compressors
- 7. Various Water-Cooled Chillers
- 8. Three (3) or more Semi-Trailers
- 9. Various Transformers: 480 to 120 75 KVA
- 10. Various Electrical Panels, Motors and Hopper Equipment
- 11. Cargo Trailer: 8X16
- 12. Various Computer Equipment
- 13. Various Hand Tools
- 14. Melt Flow Tester
- 15. Steel and Tubular Materials
- 16. PVC Conduit and Fittings for Electrical (Note: The Facility is interconnected to the Defendants' Affiliate OGRE Village Grow House Property by an Electrical Panel and Conduit located on the west side in the Electrical Room of the Facility).
- 17. Great Dane Refrigerated Trailers (12 Counted in June 2023): several units not observed as present will require a VIN reconciliation
- 18. Lincoln Diesel Welder
- 19. Steel Gun Safe
- 20. Gas Grill
- 21. Plywood Materials
- 22. Chemicals
- 23. Customer Materials held for Toll Billings HDPE Regrind, PP Film, HDPE Track Cuts
  - (A) Disclosed as held for third party owner in SOFA, Item 21 filed 6/6/23 by Borrowers' representative, Troy Burges.

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Debioi	Name		Case number (if known) .	
	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39.	Office furniture			
	None			
40.	Office fixtures			
	None			
41.	Office equipment, including all computer equipment and communication systems equipment and software			
	41.1 Fixtures and Equipment   See attached Exhibit	\$6,308,390.12		\$5,808,390.12
42.	<b>Collectibles</b> <i>Examples</i> : Antiques and figurines; paintings, prints or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles			
	None			
43.	Total of Part 7			\$5,808,390.12
	Add lines 39 through 42. Copy the total to line 86.			<u> </u>
44.	Is a depreciation schedule available for any of the property listed in Pa $\mathbf{M}_{NO}$	art 7?		
	□ <sub>Yes</sub>			
45.	Has any of the property listed in Part 7 been appraised by a profession  ☑ No ☐ Yes	nal within the last year?	?	
	Yes			
Part	8: Machinery, equipment, and vehicles			
46.	Does the debtor own or lease any machinery, equipment, or vehicles?  ✓ No. Go to Part 9.  ☐ Yes. Fill in the information below.			
	General description	Net book value of	Valuation method used	Current value of debtor's
	Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)	debtor's interest (Where available)	for current value	interest
47.	Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles			
	None			
48.	Watercraft, trailers, motors, and related accessories Examples: Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels			

### **Equipment List**

Year	Make	Model	Serial Number
2007	Lindner	Meteor 2200	1424
2007	Lindner	Komet 1800	1379
	Kice Industries	5H30	264688-2
Unknown	Unknown	Unknown	Unknown
2009	Meri	PLB 2000	2105
2013	JLG	E450AJ	300166783
Unknown	Ace	60" Downstroke	8710
2008	Herbold	SMS 80/160-SX7-2	13356
2009	Meri	PLB 2000	Unknown
Unknown	<b>Bunting Magnetics</b>		9098073-2-01
2012	Unknown	Gylotine	N7149
Jnknown	<b>Bunting Magnetics</b>		9081543-4-01
2022	ADG	CFO25	12468-01
2022	Nordson/Xaloy	WRP-35S	VB 1093
2022	Cold Shot Chiller	CSWC-120-A	M101421-1
Unknown	Rotex	242 A MS	27314
Unknown	Gradall	534D-9	644091
Unknown	JLG	Model # 1932E3	Unknown
Jnknown	Gala	Unknown	962239
Jnknown	Prodex	TMH 600-30	73-215
Unknown	Plastics Processing	HL-9	HL9128170921
Jnknown	Gala	12.3 ECLN	962239
Jnknown	Rotex	11PS ASSS	R198078A
Jnknown	Spin-Away Dryer	Order #E9322	126-94
Jnknown	Prodex	600C-24	1282
2010	Herbold	SMS 80/160-SX7-2	13357
Jnknown	Crown Products Inc	Unknown	EX-4113
Jnknown	Crown Forklift	40FCTT-188	1A163118
Jnknown	Caterpillar	Unknown	C140469
2013	Genie	Z-60	Z6013-12305
Jnknown	Hyster	Unknown	D005D022736
Jnknown	Gibson	Unknown	Unknown
Jnknown	JLG	Unknown	4069LE
Unknown	JLG	Unknown	Unknown
2007	Metler Toledo	78J3000000V4A00	C221111234
Jnknown	Harrel	Unknown	Unknown
Jnknown	Davis-Standard	350S	91154C
Jnknown	Welex	Unknown	71247296
Jnknown	Davis-Standard	Unknown	S9942
Unknown	Case	Unknown	Unknown
2007	Unknown	Unknown	Unknown
Unknown	Unknown	Unknown	Unknown
Unknown	PTI	Unknown	Unknown
	PTI		

Miscellanous Small Pieces of Equipment and tools

#### Notes/Add-Ons

Large Shredder

Small Shredder

**PVC Air Scrubber** 

Small PVC Grinder

Incline conveyor belt to Large Shredder

Electric Knuckle Lift

Downstroke Baler

Grinder

Outfeed conveyer from Large Shredder

Transfer Conveyor Belt

Plastic Roll Gylotine

Transfer Conveyor Belt

PTI Screen Changer Line 3

Pelletizer Line 3

Chiller Line 3

Pellet Shaker Line 3

Material Handler

Scissor Lift

Pelletizer Line 1

Extruder Line 1

Vacuum Transfer

Gala Dryer Line 1

Pellet Shaker Line 2

Spin Dryer Line 2

Extruder Line 2

Grinder

Extruder Line 6

Small Electric Forklift

Small Electric Forklift

Diesel Knuckle Lift

7000# Diesel Forklift

Extruder Line 4

Scissor Lift

Large Scissor Lift

Full Length Truck Scale

Extruder Line #9

Extruder Line #7 Thermatic III

Extruder Line #10

Extruder Line #8

Skid Steer

Wash Line

15 Silos with Scales

PTI Slip Sheet Line

Extruder Line #6

Debtor	CSR Worldwide OK, Inc.		Case number (if known)	
	Name	_	( ' ' / -	
	Has any of the property listed in Part 6 been appraised by a professio  ✓ No ☐ Yes  7: Office furniture, fixtures, and equipment; and collectib		?	
rait	The office furniture, fixtures, and equipment, and conectib	162		
38.	Does the debtor own or lease any office furniture, fixtures, equipment ☐ No. Go to Part 8.  ✓ Yes. Fill in the information below.	t, or collectibles?		
	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39.	Office furniture			
	None			
40.	Office fixtures			
	None			
41.	Office equipment, including all computer equipment and communication systems equipment and software			
	Fixtures & Equipment leased from CSR-OK Real Estate 41.1 Holding Company, LLC	\$0.00		\$0.00
	Additional Page Total - See continuation page for additional entries			\$500,000.00
42.	<b>Collectibles</b> <i>Examples</i> : Antiques and figurines; paintings, prints or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles			
	None			
43.	Total of Part 7			
	Add lines 39 through 42. Copy the total to line 86.			\$500,000.00
44.	Is a depreciation schedule available for any of the property listed in P ${rac{1}{200}}_{No}$ ${rac{1}{200}}_{Yes}$	art 7?		
45.	Has any of the property listed in Part 7 been appraised by a professio   ✓ No  ☐ Yes	nal within the last year	?	
Part	8: Machinery, equipment, and vehicles			

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Jeptor	CSR Worldwide OK, Inc.		Case number (if known)		
	Name		,		
	_				
	Additional Page				
	General description	Net book value of	Valuation method used	Current value of debtor's	
		debtor's interest	for current value	interest	
		(Where available)			
41.	Office equipment - Continued				
	41.2 PTi Model G6000 Extrusion Pelletizing System	(Unknown)		\$500,000.00	

Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Declaration of Gerrick Warrington Page 144 of 227 Filed in ED/OK on 06/26/24 Page 22 of 23 v-00196-DES Document 71-1 Debtor Name **✓** Checking 18.1 Arvest Bank XXXX-<u>1\_4\_1\_4</u> 1/3/2023 \$11,385.90 Name Savings 502 South Main ■ Money market Street ■ Brokerage Other Tulsa, OK 74103-0000 ZIP Code 19. Safe deposit boxes List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case. Depository institution name and address Names of anyone with access to it Description of the contents Does debtor still have it? ☐ No Name ☐ Yes Street Address ZIP Code 20. Off-premises storage List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business None Names of anyone with access to it Description of the contents Does debtor 20.1 Facility name and address still have it? **Bobcat** ☐ No Don's Repair Name **✓** Yes Street Address City ZIP Code State Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own 21. Property held for another List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property. None Owner's name and address Location of the property Description of the property Value \$950,000.00 (1) 18720A Used 37" x 61" Central States Reprocessing, LLC 473617 East 610 Rd Name Herbold Granulator, Model SMS 4121 Nw 37th St Watts, OK 74964 80/160 and (2) a 2000 China Street Made Grinder 100 HP With NE 68524 Control Panel Lincoln State 7IP Code

Official Form 207

Case 23-80391

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Desc Maxim144

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Document 71-1 Filed in ED/OK on 06/26/24 Page 23 of 23 Declaration of Gerrick Marbington Debtor 20.1 Facility name and address Names of anyone with access to it Description of the contents Does debtor still have it? Bobcat under repair Don's Tractor and Equipment Repair **√** Yes 65503 S 4760 Rd Street Address Westville, OK 74965 ZIP Code State Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own Property held for another List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property. **✓** None Owner's name and address Location of the property Description of the property Value Name Street City State ZIP Code Part 12: **Details About Environmental Information** For the purpose of Part 12, the following definitions apply: ■ Environmental law means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium). Site means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized. ■ Hazardous material means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly Report all notices, releases, and proceedings known, regardless of when they occurred. 22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders. **√** No Yes. Provide details below. Case title Court or agency name and address Nature of the case Status of case Pending Name On appeal Case number Concluded Street City State ZIP Code

Official Form 207

Case 23-80390

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

page 8

## EXHIBIT 14

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### IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF OKLAHOMA

BANK OF HAYS <i>et al.</i> ,  Plaintiffs,	
vs.	Case No. 23-CV-196-DES
CSR Worldwide OK, Inc., et al.,	
Defendants.	

#### ORDER ON MOTION TO HOLD CERTAIN DEFENDANTS IN CONTEMPT

This matter came on for hearing before the Court on July 2, 2024 (the "Contempt Hearing"), on Bank of Hays' (the "Bank") motion (doc. 71) the "Motion") pursuant to Rule 70 (d) and (e) Fed. R. Civ. P. to hold certain defendants identified in the Motion to be in contempt for the intentional, knowing, and willful violation of this Court's *Order Appointing Receiver* (doc. 24) entered by this Court on October 13, 2023 (the "Receiver Order"), and for a writ of assistance. The Court, having reviewed the Motion (including the Declaration of David R. Payne attached thereto at docket entry 71-1 (the "Payne Declaration")), the docket in this case; the responses to the Motion filed herein (doc. nos. 77, 78, 81, and 82); having received evidence and heard testimony on this matter (doc. 83); and being otherwise advised, FINDS and ORDERS as follows:

1. Defendants Steven Francis Bombola ("Bombola") and Troy Don Burgess ("Burgess," and together with Bombola, the "Contemnors") willfully violated the Receivership Order by, *inter alia*, (a) diverting proceeds of tolling operations from the Receiver's custody and control and into a bank account controlled by defendant Central States Reprocessing LLC ("Central States"); and (b) entering the Facility (as defined in the Payne Declaration at ¶ 5) and removing tangible assets involving the respective business operations of defendants CSR

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Worldwide OK, Inc. and CSR-OK Real Estate Holding Company, LLC (collectively, the

"Borrowers," and together with the Contemnors and Central States, the "Subject Defendants").

2. As a result of their willful violations of the Receiver Order, the Contemnors are in

civil contempt of this Court, and grounds exist to issue a Writ of Assistance as prayed for in the

Motion.

3. The Receiver incurred \$25,600 of fees and costs ("Receiver Liabilities") arising

from the Contemnors' contumacious conduct, which fees and costs would not have been incurred

by the Receiver absent the contumacious conduct.

4. Although the Receiver testified that the Borrowers' assets were more valuable if

Borrowers' business was operational, the Contemnors operated the Borrowers' business without

the consent required by the Receiver Order. As a result, any and all operational costs Borrowers'

business incurred from October 13, 2023, to May 29, 2024, were not incurred by the Receivership

Estate. All unpaid costs incurred during the operation of the Borrowers' business during the time

frame set forth above are collectively referred to herein as "Operating Liabilities," and include,

without limitation:

(i) obligations owed to Ozark Electric, Culligan, Frost Oil, and all

employees or contractors involved in such business operations; and

(ii) all FICA, FUTA, and other applicable taxes or charges associated with wages or other sums paid or payable to the employees and contractors

referenced in subparagraph 4(B)(1).

5. Receiver Liabilities and Operating Liabilities are collectively referred to herein as

"Contempt Liabilities."

6. The Contemnors may purge their contempt by fully and timely accomplishing the

following:

- A. Subject Defendants will reimburse the Receiver for the costs and expenses caused by the contemptuous actions in the amount of \$25,600.00 ("Receiver Costs") in the following manner:
  - (i) On or before August 31, 2024, deliver the sum of USD \$12,000.00 in collected funds to the Receiver in partial compensation for and payment of Receiver Liabilities;
  - (ii) On or before October 31, 2024 deliver the sum of USD \$6,800.00 to the Receiver in partial compensation for and payment of Receiver Costs; and
  - (iii) On or before December 31, 2024 deliver the sum of USD \$6,800.00 to the Receiver in full and final satisfaction of the Receiver Costs.
  - (iv) At any time between the entry of this Order and December 31, 2024, Subject Defendants may include Non-Turnover Items (defined below) in any sale conducted by the Receiver and use the proceeds from sale of those Non-Turnover Items obligations under in subsection (ii) or (iii) above.
- B. Within 14 days after entry of this Order ("<u>Inspection Period</u>"), Subject Defendants must
  - (i) either (a) give the Receiver access to inspect any of the items identified in the Subject Defendants' Exhibit 6 received into evidence by the Court at the Contempt Hearing ("Exhibit 6") (excluding only the tolling materials that belong to Borrowers' customers identified as Items 5, 6, 7, 8, and 9 ("Tolling Materials")) that were removed from the Facility (collectively, "Non-Tolling Items") or (b) provide the Receiver evidence satisfactory to the Receiver of ownership of all Non-Tolling Items in the form of titles, bills of sale, insurance certificates, depreciation schedules, UCC financing statements, or similar business records. Any travel -related expense incurred by the Receiver, in addition to reasonable compensation for the Receiver's estimated fees, to be incurred in connection with the Receiver's inspection of Non-Tolling Items must be either paid in advance by Subject Defendants or in a manner otherwise satisfactory to the Receiver.
  - (ii) Within 3 days after expiration the Inspection Period, the Court directs the Receiver to provide the Subject Defendants a report which identifies the Non-Tolling Items the Receiver requests the Subject Defendants turn over ("<u>Turnover Report</u>"). Subject Defendants must either return all items identified in the Turnover Report to the Facility ("<u>Turnover Items</u>") at the Subject Defendants' expense no later than 14

days after their receipt of the Turnover Report ("<u>Turnover Period</u>") or make other arrangements regarding those items which is satisfactory to the Receiver.

- (iii) Within 7 days after expiration of the Turnover Period, the Court directs the Receiver to file a notice that the Receiver (A) has been given access to the Non-Tolling Items; (B) has received sufficient records regarding ownership of the Non-Tolling Items; and (C) has either (1) received possession of the Turnover Items or (2) that the Subject Defendants have made other satisfactory arrangements with him regarding any Turnover Items listed in the Turnover Report that have not been delivered to the Receiver. The Receiver's notice shall specifically designate any Non-Tolling Items as to which the Receiver believes that the Subject Defendants have not provided satisfactory evidence of ownership by non-Borrowers, and the Court shall retain jurisdiction to resolve any such issues of disputed ownership.
- C. On or before August 9, 2024, or within 14 days after the entry of this Order, whichever is later, the Subject Defendants shall execute and deliver to the Receiver a form of agreement (in form and content reasonably satisfactory to the Subject Defendants and to the Receiver) by which the Subject Defendants:
- (i) jointly and severally, irrevocably, and unconditionally indemnify the Receiver and the receivership estate against liability for any and all Operating Liabilities and hold the Receiver harmless of and from all Operating Liabilities; and
- (ii) at Subject Defendants' discretion, designate and agree to deliver to the Facility at Subject Defendants' sole expense any Non-Tolling Items that the Receiver did not request to be turned over in the Turnover Report, and agree that any of the designated Non-Tolling Items may be listed for sale and sold at auction together with Receivership Estate assets, with the net proceeds of sale of the designated Non-Tolling Items being distributed as follows:
- (A) Net proceeds of auction sale of the designated Non-Tolling Items that the Receiver agrees do not belong to the Receivership Estate shall be retained by the Receiver and applied in payment of Receiver Costs, Receiver Liabilities, and Operating Liabilities in that order until Receiver Costs, Receiver Liabilities, and Operating Liabilities have been fully paid.
- (B) Net proceeds of auction sale of Non-Tolling Items that the Receiver believes may belong to the Receivership Estate shall be retained by the Receiver *in custodia legis* pending further order of the Court or agreement by the Receiver and the Subject Defendants regarding disposition of such sales proceeds.

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The Contemnors shall file a notice with the Court upon the execution and delivery of the agreement required by this subsection.

- D. Produce to the Receiver each of the following on or before August 9, 2024:
  - (i) the complete identity of and contact information for the "Buyer" referenced in ¶ 34 of the Subject Defendants' response filed at docket entry 81 (together with all known Buyer affiliates and agents (including all attorneys, accountants, brokers, and other professionals known to the Subject Defendants)); and
  - (ii) (A) all correspondence of any type between all Subject Defendants and the Buyer, (B) all proposals, business plans, term sheets, and all diligence materials provided to or by the Buyer, (C) full disclosure of any compensation to be paid to any Subject Defendant by the Buyer upon consummation of a contemplated transaction with the Buyer, if any, (D) full disclosure of any Subject Defendant's immediate or future equity participation in the Buyer (or any other entity to be formed by or related to the Buyer) upon consummation of a contemplated transaction with the Buyer, if any, and (E) Contemnors' agreement that the Receiver and any retained auctioneer may freely discuss with the Buyer a potential stalking horse or other bid at an auction sale of Receivership assets.

The foregoing shall be verified under oath by both Contemnors to be true, accurate, and complete to the best of their respective knowledge.

E. The Subject Defendants will provide, at their sole expense, reasonable assistance to the Receiver and his auctioneer and other professionals in arranging/rearranging personal property and equipment remaining in the Facility to maximize the auction sale value thereof.

IT IS THEREFORE ORDERED that defendants Bombola and Burgess are in civil contempt of this Court.

IT IS FURTHER ORDERED that if the Subject Defendants shall timely perform each of the acts described in subparagraphs 6(A) - (D) of this Order, the Contemnors shall be deemed to have purged their contempt; provided, however, that each of the Subject Defendants shall remain fully bound to timely and meaningfully meet their obligations described in subparagraph 6(E) of this Order. If the Subject Defendants fail to timely perform each of the acts described in paragraph 6 of this Order, the Court reserves the right to (a) determine that the Contemnors' contempt has

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not been purged, and to fully reinstate the contempt decree against the Contemnors; and (b) issue

a Writ of Assistance as prayed for in the Motion.<sup>1</sup>

IT IS FURTHER ORDERED that this Order constitutes a money judgment against the

Subject Defendants for the Receiver Costs set forth in subparagraph 6(A), which is stayed pending

the timely repayment of the Receiver Costs under the terms of subparagraph 6(A); however, if

timely payments are not made, said judgment shall be fully enforceable by the Receiver without

further order of the Court and the Receiver is authorized to take any and all enforcement action of

said judgment as allowed by applicable law.

IT IS FURTHER ORDERED that the Receiver shall not be required to file separate suit,

but instead, is authorized to take action to enforce the indemnity obligations contemplated in

subparagraph 6(C)(i), should it be necessary to do so, by filing a motion before this Court

requesting payment of any such obligations, and providing the Subject Defendants the opportunity

to object to said request within 14 days of the filing of any such motion as provided for under the

Court's Local Rules.

IT IS FURTHER ORDERED that the Subject Defendants' failure to fully and timely

comply with this Order may result in such sanctions as the Court deems appropriate.

**DATED** July 29, 2024.

D. Edward Snow

**United States Magistrate Judge** 

<sup>&</sup>lt;sup>1</sup> The Court has determined that it will not be necessary to issue a Writ of Assistance if the Subject Defendants fully and timely comply the terms of this Order.

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#### APPROVED FOR ENTRY:

#### s/Thomas A. Creekmore III

Thomas A. Creekmore III, OBA #2011 HALL, ESTILL, HARDWICK, GABLE, GOLDEN & NELSON, P.C. 521 East Second Street, Suite 1200 Tulsa, Oklahoma 74120 Telephone (918) 594-0400 Facsimile (918) 594-0505 tcreekmore@hallestill.com

#### Attorneys for Bank of Hays

#### s/Nicholas Grillot

Nicholas R. Grillot, KS #22054, pro hac vice HINKLE LAW FIRM LLC 1617 N. Waterfront Pkwy, Suite 400 Wichita, Kansas 67206-6639 Phone: (316) 660-6211 / Fax: (316) 660-6523

Email: ngrillot@hinklaw.com

#### And

Jennifer Ary Brown, OBA #22475
FRANDEN | FARRIS | QUILLIN
GOODNIGHT | ROBERTS + WARD
Two West 2nd Street, Suite 900
Tulsa, Oklahoma 74103

Tel: 918/583-7129 Fax: 918/584-3814 jary@tulsalawyer.com

#### Counsel for Subject Defendants

### EXHIBIT 15

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE
OF THE STATE OF CALIFORNIA

#### ARTICLES OF INCOPORATION

MAR 15 2007

I.

The name of this corporation is THE DMB FUND.

II.

- A. This corporation is a nonprofit MUTUAL BENEFIT COPORATION organized under the Nonprofit Mutual Benefit Corporation law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.
- B. The specific purpose of this corporation is to educate, assist, help and promote awareness for health issues, concerns, and laws for general population and to support those that are afflicted by such physical infirmities and diseases.

Ш.

The name and address in the State of California of this corporation's initial agent for service of process is:

#### DAVID R. SCHWARCZ 499 NORTH CANON DRIVE BEVERLY HILLS, CA 90210

IV.

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

V.

The address of the business office is 499 North Canon Drive, Bevely Hills, Ca 90210.

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Ву

David R. Schwarez, Incorporator

## EXHIBIT 16

State



# STATE OF CALIFORNIA Office of the Secretary of State STATEMENT OF INFORMATION CA NONPROFIT CORPORATION

California Secretary of State 1500 11th Street Sacramento, California 95814 (916) 653-3516 For Office Use Only

-FILED-

File No.: BA20231275388 Date Filed: 8/15/2023

Entity Deta								
Corporation Name			THE DMB FUND					
Entity No.			2914756					
Formed In			CALIFORNIA					
Street Add	dress of California Principal	Office of Corporation						
Street Address of California Office		2350 CASTLE HEIGHTS AVENUE						
			LOS ANGELES, CA 90034					
	Idress of Corporation							
Mailing Address  Attention			2350 CASTLE HEIGHTS AVENUE LOS ANGELES, CA 90034					
Officers		1						
	Officer Name Officer Address				Position(s)			
DAVII	D SCHWARCZ	2350 CASTLE HEIGHTS AVENU LOS ANGELES, CA 90034	UE		Chief Executive Officer			
Judy	Cox	2350 Castle Heights Avenue Los Angeles, CA 90034			Secretary, Chief Financial Officer			
Additional	Officers						_	
	Officer Name Officer Address			Position		Stated Position		
	None Entered							
Agent for	Service of Process							
Agent Name			JUDY COX					
Agent	Address		2350 CASTLE HEIGHTS AVENUE LOS ANGELES, CA 90034					
Email Noti	ifications							
Opt-in Email Notifications			No, I do NOT want to receive entity notifications via email. I prefer notifications by USPS mail.					
Electronic	Signature							
<b>⊠</b> By	y signing, I affirm that	the information herein is true and o	correct a	nd that I a	ım authorize	ed by California law to sign.		
David Schwarcz 08/15/2023								
Signature			Date	Date				

## EXHIBIT 17

2020 WL 6892001

Only the Westlaw citation is currently available.

PUBLIC MATTER—NOT

DESIGNATED FOR PUBLICATION

Review Department of the

Review Department of the State Bar Court of California.

In the MATTER OF David Richard SCHWARCZ, State Bar No. 152896.

17-C-00851 | Filed November 6, 2020

#### OPINION AND ORDER

#### PURCELL, P. J.

\*1 David Richard Schwarcz pleaded guilty in federal court to conspiring to supervise and operate an unlicensed money transmitting business, a felony that may or may not involve moral turpitude. Schwarcz knew that the funds transferred were proceeds from illegal activities and he used his law firm's trust account in the process. The hearing judge found moral turpitude in the facts and circumstances surrounding the conviction and recommended disbarment. Schwarcz committed this crime while his first disciplinary case was pending against him.

Schwarcz seeks review. He argues that the hearing judge relied on inadmissible evidence to find moral turpitude. He also requests more mitigation, less aggravation, and an actual suspension with credit for time spent on interim suspension. The Office of Chief Trial Counsel of the State Bar (OCTC) did not appeal but supports the disbarment recommendation.

Upon independent review (Cal. Rules of Court, rule 9.12), we find (1) the facts and circumstances surrounding the conviction involved moral turpitude; (2) Schwarcz's mitigation is not compelling; and (3) disbarment is the proper discipline given his serious misconduct, the applicable disciplinary standards, the aggravating circumstances, and comparable case law.

#### L FACTUAL BACKGROUND

#### A. Overview of Admissible Evidence that Establishes the Record for Review

Schwarcz's central argument on review is that the hearing judge relied on inadmissible evidence. OCTC did not call any witnesses at trial and instead presented documents from Schwarcz's criminal case. Included were items such as the written plea agreement, Schwarcz's and the United States Attorney's Office's (USAO) sentencing memoranda, and transcripts from his plea and sentencing hearings. Schwarcz argues that the hearing judge relied heavily on the USAO's sentencing memorandum, which he contends is merely argument and contains multiple levels of inadmissible hearsay and unproven factual allegations. OCTC counters that Schwarcz stipulated to admit these documents for all purposes. We find the record does not establish the broad stipulation for admission that OCTC asserts. 1

The parties filed a July 12, 2019 pretrial Stipulation as to Facts and Admission of Documents (Stipulation), but reserved the right to argue the weight that should be given to each exhibit. At the disciplinary trial, the parties agreed to the authenticity of documents OCTC had obtained from the Public Access of Court Electronic Records service, but did not agree that the documents would be admitted for all purposes. Schwarcz also objected to admission of certain documents in his closing trial brief. Admissibility of the documents for all purposes was not established at trial.

Some documents from the criminal case are clearly admissible in disciplinary matters, such as guilty pleas and plea agreements. (See Bus. & Prof. Code, § 6101, subd. (a) [conviction is conclusive evidence of guilt]; Chadwick v. State Bar (1989) 49 Cal.3d 103, 110 [criminal conviction, including guilty plea, is conclusive proof attorney committed all acts necessary to constitute offense].) Accordingly, we rely only on Schwarcz's signed plea agreement and transcript excerpts from his plea and sentencing hearings that

address his guilty plea, along with his testimony from the discipline trial. <sup>2</sup>

We need not determine whether hearsay statements contained in any other documents are admissible because we do not rely on them. (Rules Proc. of State Bar, rule 5.104 (D) [hearsay evidence may supplement or explain other evidence, but over timely objection will not support finding unless it would be admissible over objection in civil actions].)

#### **B.** The Plea Agreement

\*2 In December 2015, Schwarcz was arrested and indicted in the United States District Court for the Southern District of New York for participation in a money laundering conspiracy. A superseding indictment was filed in March 2016. On November 28, 2016, a second superseding indictment was filed, charging Schwarcz with money laundering in violation of title 18 United States Code (U.S.C.) section 1956 (counts one and two), and an illegal money transmitting conspiracy in violation of title 18 U.S.C. sections 371 and 1960 (count three).

On January 13, 2017, Schwarcz signed a six-page plea agreement with the USAO, agreeing to plead guilty to count three. (*United States v. David Schwartz a/k/a "David Schwarcz*," No. 1:15-cr-00835.) Count three alleges in relevant part:

- From 2009 through 2011, Schwarcz, Robert Rimberg, and others, known and unknown, "unlawfully, willfully and knowingly, combined, conspired, confederated, and agreed together and with each other" to violate title 18 U.S.C. section 1960;
- As a part and an object of the conspiracy, Schwarcz and coconspirators "willfully and knowingly would and did conduct, control, manage, supervise, direct, and own all and part of an unlicensed money transmitting business affecting interstate and foreign commerce," in violation of title 18 U.S.C. section 1960; and

Two overt acts were listed—that in or about December 2010 and in furtherance of the conspiracy, in violation of title 18 U.S.C. section 371 (1) Rimberg and an unnamed coconspirator accepted approximately \$1 million in United States currency, and (2) Schwarcz sent and assisted in sending wires transferring the approximately \$1 million to different bank accounts.

Schwarcz also stipulated in the plea agreement to a two-level enhancement under the United States Sentencing Guidelines because he "knew or believed that the funds were *proceeds of unlawful activity.*" (Emphasis added.) <sup>4</sup>

- Title 18 U.S.C. section 371 provides that it is a crime for two or more persons to conspire to commit any offense against the United States. It requires that at least one of these persons do an act to affect the object of the conspiracy. Title 18 U.S.C. section 1960 provides that it is a crime to knowingly conduct, control, manage, supervise, direct, or own all or part of an unlicensed money transmitting business.
- The plea agreement reserved Schwarcz's right to challenge the applicability of this enhancement, but he did not do so. We reject his argument that he did not agree to the enhancement because he reserved the right to challenge it. The agreement does not support this.

#### C. The Plea Hearing

The plea hearing was held on January 13, 2017, the same day Schwarcz signed his plea agreement. The federal district court judge marked a copy of the agreement as an exhibit. The judge asked a series of questions to confirm that Schwarcz intended to plead guilty, that he was in fact guilty, that he understood the consequences of his plea, including that he was giving up certain constitutional rights, that his plea was knowing and voluntary, and that there was an independent basis for his plea. Under oath, Schwarcz answered these questions in the affirmative. He also acknowledged that he had been provided sufficient

time to discuss the case with his lawyer and was satisfied with his legal representation.

The judge discussed the substance of count three of the second superseding indictment, including the overt acts. He stated that those acts were alleged to be in furtherance of the conspiracy as follows: (a) in or around December 2010, Schwarcz's coconspirators accepted approximately \$1 million, and (b) Schwarcz sent and assisted in sending wire transfers of approximately \$1 million. The judge then inquired of Schwarcz, "Do you understand that is what you were charged with in Count Three of the indictment?" Schwarcz answered "Yes."

\*3 Before the judge took the plea, he asked Schwarcz to describe his participation in the charged crime. Schwarcz stated:

In late 2010 and early 2011, I agreed with others to transfer funds as part of a money transfer business and I understood that the transfers would be in exchange for a fee. The money transfer business that I agreed to conduct and did conduct was not licensed under state or federal law. As part of this agreement, which I knew to be unlawful at the time, I transferred approximately \$2,334,000 [sic] 5 in December 2010.

This amount was a typographical error in the plea transcript; the actual amount Schwarcz agreed as part of his plea that he personally transferred was approximately \$234,000.

To establish venue, the USAO affirmed that "there were acts by [Schwarcz's] coconspirators that occurred in the Southern District of New York," including "a drop-off of a million dollars in cash that occurred in Manhattan," and "wires that were initiated in Manhattan." After the judge inquired, Schwarcz's attorney added that the acts were in furtherance

of the conspiracy and involved coconspirators. The judge asked Schwarcz, "[A]re you prepared to accept that for purposes of your plea?" Schwarcz answered "Yes." Further, Schwarcz acknowledged that if a coconspirator commits an overt act in furtherance of the conspiracy in the venue alleged, any member can be prosecuted for that offense in that venue. At the conclusion of the hearing, the judge found Schwarcz had knowingly and voluntarily waived his constitutional right to trial and other associated rights. The judge accepted Schwarcz's guilty plea to count three and adjudged him guilty. A sentencing hearing was set.

#### D. The Sentencing Hearing

Schwarcz appeared for sentencing on January 25, 2018. He expressed his remorse and discussed his personal and family issues. He assured the judge that those circumstances did not excuse his criminal conduct. The judge found that the offense was serious and the facts to which Schwarcz pleaded showed that the money transmitting business was a means to transform the proceeds of illicit activity to apparently legal resources, which furthered the illicit activity. The judge sentenced Schwarcz to imprisonment in a federal prison for a term of 366 days and, upon his release, to a supervised release for one year with standard conditions. A \$6,000 fine and \$100 special assessment were imposed. The USAO dismissed the two remaining counts in the second superseding indictment.

#### II. STATE BAR COURT PROCEEDINGS

On April 5, 2017, OCTC transmitted evidence of Schwarcz's conviction to the Review Department. On April 26, we placed Schwarcz on interim suspension from the practice of law effective May 22, pending final disposition of this proceeding. (Bus. & Prof. Code §§ 6101, 6102; <sup>6</sup> Cal. Rules of Court, rule 9.10; Rules Proc. of State Bar, rules 5.341 & 5.342.) On March 9, 2018, Schwarcz waived finality of the conviction. On March 22, we referred the matter to the Hearing Department to determine whether the facts and circumstances surrounding the conviction involved moral turpitude or other misconduct warranting

discipline. (Bus. & Prof. Code, § 6102, subd. (e); Rules Proc. of State Bar, rule 5.344.)

- All further references to sections are to the Business and Professions Code unless otherwise noted.
- \*4 On July 12, 2019, the parties filed the Stipulation. Trial was held on September 5 and 6. Posttrial briefs were filed. The hearing judge issued his decision on December 2, 2019.

### III. FACTS AND CIRCUMSTANCES SURROUNDING SCHWARCZ'S CONVICTION INVOLVED MORAL TURPITUDE

In attorney disciplinary proceedings, "the record of [an attorney's] conviction [is] conclusive evidence of guilt of the crime of which he or she has been convicted." (Bus. & Prof. Code, § 6101, subd. (a); In re Gross (1983) 33 Cal.3d 561, 567.) Since Schwarcz's conviction does not establish moral turpitude per se, any finding of moral turpitude must be made after considering the facts and circumstances of the conviction. (Bus. & Prof. Code, § 6102, subd. (e).) We are not restricted to examining elements of the crimes but must look at the whole course of misconduct. (In the Matter of Oheb (Review Dept. 2006) 4 Cal. State Bar Ct. Rptr. 920, 935.)

The facts and circumstances surrounding Schwarcz's conviction, as a coconspirator, involved moral turpitude because they clearly fit within the definition of moral turpitude as set forth by the California Supreme Court: "Criminal conduct not committed in the practice of law or against a client reveals moral turpitude if it shows a deficiency in any character trait necessary for the practice of law (such as trustworthiness, honesty, fairness, candor, and fidelity to fiduciary duties) or if it involves such a serious breach of a duty owed to another or to society, or such a flagrant disrespect for the law or for societal norms, that knowledge of the attorney's conduct would be likely to undermine public confidence in and respect

for the legal profession." (In re Lesansky (2001) 25 Cal.4th 11, 16.) Schwarcz has shown deficiencies in his

character, including a lack of trustworthiness, honesty, and fidelity to his fiduciary duties.

Schwarcz argues no admissible evidence proves moral turpitude. He asserts that the factual basis for his guilty plea is limited, as it is "predicated on his agreement to make one transfer of funds, his lack of an appropriate license, and knowledge that the conduct was unlawful." He contends that he knew the unlicensed transfer was illegal, but he did not know the transferred funds were proceeds from unlawful activity. He submits that his conduct did not amount to moral turpitude.

We reject Schwarcz's request to limit his wrongdoing to his illegal transfer of \$234,000. His plea agreement establishes the contrary. First, he stipulated that he conspired to operate an illegal money transmitting business. Second, as overt acts in furtherance of the conspiracy, he stipulated that he sent and assisted in sending wire transfers of approximately \$1 million. Third, he stipulated to the sentencing enhancement that stated he knew or believed that the transfers were proceeds of unlawful activity.

At the hearings in federal court, Schwarcz confirmed his participation in the crime. He stated at his plea hearing that he had (1) conspired with others to make "transfers" of money, in the plural, (2) expected to receive a fee for the transfers, and (3) personally transferred \$234,000 illegally. In determining the sentence, the judge noted that Schwarcz's misconduct was serious and he had pleaded to facts that showed the money transmitting business was a means to transform the proceeds of illicit activity to apparently legal resources.

\*5 Schwarcz's actions surrounding his conviction were dishonest and demonstrate such a flagrant disrespect for the law that knowledge of his misconduct would likely undermine public confidence in and respect for the legal profession. (In re Lesansky, supra, 25 Cal.4th at p. 16.) He also abused his position of trust and dishonored his fiduciary duties by using his law firm's trust account to facilitate the transfer of illegal funds—something a non-attorney could not do. (Cf. In the Matter of Kreitenberg (Review Dept. 2002) 4 Cal. State Bar Ct. Rptr. 469, 474 [moral turpitude found where attorney used trust account to

avoid paying income taxes due on legal fees].) The totality of his misconduct is clearly contrary to honesty and good principles and involves moral turpitude. (*Stanford v. State Bar* (1940) 15 Cal.2d 721, 727–728 ["act of an attorney which is contrary to honesty and good morals is conduct involving moral turpitude"].) <sup>7</sup>

We do not go as far as the hearing judge to find that Schwarcz knew the illegal proceeds were specifically from narcotics trafficking, i.e., cocaine, or that he engaged in money laundering. That Schwarcz conspired to illegally transfer \$1 million gained from *any* unlawful activity is dishonest conduct that involves moral turpitude.

#### IV. AGGRAVATION AND MITIGATION

Standard 1.5 of the Standards for Attorney Sanctions for Professional Misconduct <sup>8</sup> requires OCTC to establish aggravating circumstances by clear and convincing evidence. <sup>9</sup> Standard 1.6 requires Schwarcz to meet the same burden to prove mitigation.

- All further references to standards are to the Rules of Procedure of the State Bar, title IV, Standards for Attorney Sanctions for Professional Misconduct.
- Clear and convincing evidence leaves no substantial doubt and is sufficiently strong to command the unhesitating assent of every reasonable mind. (\*\*Conservatorship of Wendland\* (2001) 26 Cal.4th 519, 552.)

#### A. Aggravation

#### 1. Prior Record of Discipline (Std. 1.5(a))

Standard 1.5(a) provides that a prior record of discipline may be an aggravating factor. The hearing judge found that Schwarcz's prior discipline was aggravating but did not assign a specific weight. We assign substantial weight.

In 1999, Schwarcz committed misconduct in one client matter. Disciplinary charges were filed on July 19, 2006. <sup>10</sup> Years later, in December 2013,

Schwarcz stipulated to violating former rule 3-300 of the California Rules of Professional Conduct by improperly entering into business transactions with a client. <sup>11</sup> He failed to fully disclose the terms and conditions of the transactions and did not notify his client of her right to seek independent legal advice. The stipulation cited significant client harm and multiple acts of wrongdoing as aggravating, and good character, cooperation for entering into a pretrial stipulation, no prior record of discipline, and consideration for the passage of time since the misconduct, as mitigating. On April 11, 2014, the Supreme Court imposed the stipulated discipline, which included a 60-day actual suspension. (S216108 (State Bar Court No. 04-O-14445).)

- We take judicial notice of this date. (Rules Proc. of State Bar, rule 5.156(B); Evid. Code § 452.)
- All further references to rules are to the former California Rules of Professional Conduct that were in effect until November 1, 2018, unless otherwise noted.

Schwarcz argues that the hearing judge failed to credit all the mitigating circumstances in the prior discipline. We disagree. The judge correctly listed each mitigating circumstance recited in the stipulation. But we agree with his argument that the mitigation counterbalances the aggravation of the prior record, and that the past misconduct is not the same type of misconduct as in the present case.

\*6 Even so, the timing of Schwarcz's prior discipline case as it relates to his present misconduct outweighs these considerations. He was on notice since 2006 that his first case had been filed and he was facing discipline. As a result, he should have been on high alert regarding his ethical responsibilities. Yet he proceeded to commit serious criminal acts in 2010—four years after his discipline case was filed and three years before he resolved it by stipulation. Schwarcz clearly failed to appreciate his professional ethical obligations. We assign substantial aggravation for his prior record of discipline.

#### 2. Indifference (Std. 1.5(k))

The hearing judge found that Schwarcz's misconduct was aggravated by denying the full extent of his involvement in the conspiracy. (Std. 1.5(k) [indifference toward rectification or atonement for consequences of misconduct is aggravating factor].) The judge assigned significant aggravation because Schwarcz's failure to recognize his wrongdoing suggests possible recidivism. (In the Matter of Layton (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 366, 380 [lack of insight into misconduct causes concern that attorney will repeat misdeeds and is substantial factor in discipline recommendation].) We agree and assign substantial weight. Schwarcz repeatedly testified at the discipline trial that he did not know the funds he transferred were from unlawful activities, yet his plea agreement and the plea and sentencing hearings prove otherwise. Though the law does not require false penitence, it does mandate that an attorney accept responsibility for his or her misconduct and come to grips with his or her culpability. (In the Matter of Katz (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 502, 511.) Schwarcz has not done this. <sup>12</sup>

The hearing judge found Schwarcz lacked candor at trial for his denial, but properly did not assign aggravation under standard 1.5(1) because he relied on these facts to assign aggravation for indifference under standard 1.5(k).

#### **B.** Mitigation

### 1. No Mitigation for Extreme Emotional Difficulties or Mental Disabilities (Std. 1.6(d))

Standard 1.6(d) provides that mitigation may be assigned for extreme emotional difficulties or physical or mental disabilities if (1) the attorney suffered from them at the time of the misconduct; (2) they are established by expert testimony as being directly responsible for the misconduct; and (3) they no longer pose a risk that the attorney will commit future misconduct. The hearing judge assigned "slight mitigating credit." Schwarcz argues he is entitled to greater credit because he had "diminished capacity" at the time of his misconduct and was "unable to appreciate conduct that should have alerted him to make further inquiry before agreeing to transfer the funds." We assign no mitigation credit because

Schwarcz did not prove the requirements of the standard.

Schwarcz presented Lyndsay Elliott, Psy.D., a clinical and forensic psychologist. Dr. Elliott was hired to conduct a sentencing evaluation. She interviewed Schwarcz in 2017 for four hours, prepared a 23-page report for his sentencing hearing, and testified at the disciplinary trial. Dr. Elliott testified that Schwarcz had suffered various profound traumas throughout his life, beginning in childhood. She opined that he suffered from, among other things, untreated psychological trauma comprised of post-traumatic stress disorder, chronic complex post-traumatic stress, battered child syndrome, abuse, and mood disorder consisting of depression and cognitive impairment. Her report, admitted into evidence at trial, states that his untreated trauma has led to diminished cognitive and emotional functioning that affected his capacity to use sound judgment, made him susceptible to others, and rendered him unable to foresee the likely consequences of his actions. Dr. Elliott also opined that Schwarcz suffered from extreme emotional difficulties as opposed to a mental disability but did not treat him for these problems and could not state whether he suffered from them at the time of the misconduct. We find that neither Dr. Elliott's testimony nor her report demonstrates Schwarcz suffered from extreme emotional difficulties or mental disabilities at the time of his misconduct in 2009 or 2010.

\*7 Next, Schwarcz did not establish that the emotional difficulties Dr. Elliott described were directly responsible for his criminal misconduct. While the doctor found some connection, or that the difficulties were a "contributing factor," she could not confirm a "direct" connection. Dr. Elliott also explained that she knew little about Schwarcz's criminal actions as she does not question her clients about the offense when preparing sentencing reports.

Finally, Schwarcz did not establish that his emotional difficulties no longer pose a risk of future misconduct. We acknowledge his credible testimony about his participation in the Lawyers Assistance Program since December 2016, his therapy sessions, and his report of greater self-awareness. He urges us to consider the statement made by Richard A. Gottfried, J.D., M.B.A., M.A., his current therapist. Dr. Elliott interviewed

Mr. Gottfried for her evaluation and included in her report that he had affirmed Schwarcz is dedicated to his recovery and "has been fully involved in the psychotherapy process." But when pointedly asked whether Schwarcz still posed a risk of future misconduct, Dr. Elliott could not offer an opinion.

We agree with the hearing judge that Dr. Elliott's role in this proceeding is limited. She was hired to prepare a sentencing evaluation for federal court and therefore focused on the impact a prison sentence would have on Schwarcz's family and business responsibilities. Dr. Elliott met with Schwarcz only one time in 2017, was not his treating psychologist, and had little information about the facts and circumstances of his conviction. The overall evidence does not establish mitigation under standard 1.6(d) by clear and convincing evidence.

#### 2. Cooperation with State Bar (Std. 1.6(e))

The hearing judge did not address standard 1.6(e), which affords mitigation for spontaneous candor and cooperation displayed to the State Bar. Schwarcz waived finality of his conviction. He also entered into a pretrial Stipulation that contained a limited set of mostly procedural facts and authorized admission of documents, reserving the right to argue the weight to be assigned to them. These actions were not spontaneous, nor did they save significant judicial time or resources. Noting also that Schwarcz did not admit to culpability —that the facts and circumstances surrounding his conviction involved moral turpitude—we assign limited mitigating weight for his cooperation. (In the Matter of Johnson (Review Dept. 2000) 4 Cal. State Bar Ct. Rptr. 179, 190 ["more extensive weight in mitigation is accorded those who, where appropriate, willingly admit their culpability as well as the facts"].)

### 3. No Mitigation for Extraordinary Good Character (Std. 1.6(f))

Schwarcz is entitled to mitigation if he establishes "extraordinary good character attested to by a wide range of references in the legal and general communities, who are aware of the full extent of the misconduct." (Std. 1.6(f).) Five witnesses testified at trial, three of whom also submitted copies of their character letters prepared in 2017 for the federal court sentencing. Schwarcz provided copies of another

three federal court character letters: from his sister, his attorney in the present proceeding, and a friend who is also a business associate. The witnesses who testified included Schwarcz's accountant Judy Cox, friend and business partner Steve Mark Gold (writer and animation producer), attorneys and friends Benjamin Gluck and Lionel Glancy, and Rabbi David Sochet. <sup>13</sup> The witnesses have known Schwarcz for various periods of time, some for decades. They uniformly testified that he was empathetic, honest, client-oriented, and zealous about integrity, but that he had made a serious "mistake" by committing a crime.

- Ms. Cox, Mr. Gold, and Mr. Glancy submitted copies of their sentencing letters.
- \*8 The hearing judge assigned no mitigation credit for extraordinary good character because he found that, at best, one or possibly two of the witnesses were aware of the full extent of Schwarcz's misconduct. We agree. While each witness knew generally about the criminal conviction, most did not know Schwarcz had stipulated in his plea agreement that the money transferred was from illegal activity. Though we give serious consideration to character evidence from attorneys (*In the Matter of Brown* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 309, 319), they must be informed about the full extent of the misconduct to receive such consideration.

We reject Schwarcz's argument that good character witnesses need only have a "basic understanding" of the misconduct—the standard requires an awareness of the full extent of the misconduct. Here, each witness lacked critical information, most importantly that Schwarcz's conspiracy to transfer the money involved funds obtained illegally. Accordingly, we do not find that the witnesses established his extraordinary good character under standard 1.6(f).

### 4. No Mitigation for Remorse and Recognition of Wrongdoing (Std. 1.6(g))

Standard 1.6(g) provides mitigation for "prompt objective steps, demonstrating spontaneous remorse and recognition of the wrongdoing and timely atonement." The hearing judge assigned no mitigation credit. We agree.

Schwarcz argues that he is entitled to mitigation for remorse because he entered a plea to the crime, recognized his wrongdoing, and participated in treatment. At his federal court hearings in 2017 and 2018, and his disciplinary trial in 2019, he stated he was remorseful. But his statements of contrition were made years after he committed the crime and at a time when he faced serious consequences with federal authorities and the State Bar. The Supreme Court has stated that expressing remorse is "an elementary moral precept which, standing alone, deserves no special consideration in determining the appropriate discipline." (*Hipolito v. State Bar* (1989) 48 Cal.3d 621, 627, fn. 2.)

#### 5. Pro Bono Work and Community Service

Pro bono work and community service are mitigating circumstances. (Calvert v. State Bar (1991) 54 Cal.3d 765, 785.) Schwarcz argues that he should receive mitigation for "his long-term involvement with his pro bono and community work." But in his briefs on review, he did not specify the details of his work or explain why they entitle him to mitigation.

In our independent review of the record, however, we find evidence of Schwarcz's pro bono and volunteer work. Rabbi Sochet, a character witness, testified that Schwarcz was involved in the synagogue, including leading a class as director of adult studies for about six months; Schwarcz confirmed this in his testimony. Dr. Elliott's report contains a summary of the community service activities that Schwarcz reported to her, including serving as president of a synagogue (1996-2006), volunteering at a food bank (2006-2013) and for the Jewish Burial Society (no dates), serving on the board for a non-profit (2015-present), and providing pro bono assistance to lowincome clients, including marital dissolution cases (no dates).

Though the quantity and quality of these services are commendable, the evidence lacks specificity, was primarily uncorroborated, and did not reflect recent activity other than his service at the non-profit. We therefore assign moderate, but not full, mitigation credit. (Rose v. State Bar (1989) 49 Cal.3d 646, 667 [mitigation for legal abilities, dedication, and zeal in pro bono work]; see *In the Matter of Shalant* (Review

Dept. 2005) 4 Cal. State Bar Ct. Rptr. 829, 840 [limited weight given for community service where evidence based solely on attorney's testimony making extent of service unclear].)

### V. DISBARMENT IS THE NECESSARY DISCIPLINE

\*9 Our role is not to punish Schwarcz for his crime—the federal court has done so by sentencing him in the criminal proceeding. Instead, our purpose is to recommend appropriate professional discipline, considering the goals of the discipline system.

["the aim of attorney discipline is not punishment or retribution; rather, attorney discipline is imposed to protect the public, to promote confidence in the legal system, and to maintain high professional standards"].) Our discipline standards guide us whenever possible, and we balance all relevant factors, including mitigating and aggravating circumstances, on a caseby-case basis, to ensure that the discipline imposed is consistent with the purposes of discipline. (*In re Young* (1989) 49 Cal.3d 257, 266–267 & fn. 11.) The hearing judge recommended disbarment. Schwarcz urges an actual suspension with credit for the more than three years he has been on interim suspension since May 22, 2017.

Given our finding of moral turpitude in the facts and circumstances, we apply the version of standard 2.15(b) in effect at the time of the disciplinary trial. It calls for disbarment as the presumed sanction for a felony conviction in which the surrounding facts and circumstances involve moral turpitude, unless the most compelling mitigating circumstances clearly predominate. 14 Schwarcz established mitigation only for cooperation (limited) and pro bono work and community service (moderate). The total weight of these factors is not compelling. 15 Nor does the mitigation clearly predominate over Schwarcz's serious criminal misconduct and the aggravating factors of a prior record of discipline and his indifference, to which we assigned substantial weight. Under these circumstances, the presumed sanction is disbarment.

14 The standards were revised in 2019. Current standard 2.15(a) provides that summary disbarment is the sanction when a hearing judge finds that the facts and circumstances surrounding a felony conviction involve moral turpitude. The standard mirrors the new mandate of Business and Professions Code section 6102, subdivision (c)(2), which became effective on January 1, 2019. Section 6102 is not retroactive and therefore applies only where the crime underlying the conviction occurred after the statute's effective date. Schwarcz's crime occurred before January 1, 2019, so the current standard does not apply. (In the Matter of Jebbia (Review Dept. 1999) 4 Cal. State Bar Ct. Rptr. 51, 54 [summary disbarment statute not applied retroactively].)

Cf. In the Matter of Field (Review Dept. 2010) 5 Cal. State Bar Ct. Rptr. 171, 185 (compelling mitigation in non-conviction case where attorney provided extraordinary demonstration of good character, consisting of 36 character witnesses, including judges, attorneys, public officials, law enforcement personnel, community leaders, and friends, and an impressive record of participation in pro bono and community service activities).

In addition to the standards, we look to comparable case law. (Snyder v. State Bar (1990) 49 Cal.3d 1302, 1310-1311.) Like the hearing judge, we find guidance in In re Berman (1989) 48 Cal.3d 517. Berman pleaded guilty to a violation of title 18 U.S.C. section 371 (conspiracy) to illegally transport monetary instruments. The facts surrounding the conviction showed that Berman used his legal skills to propose a plan to launder money he believed were the proceeds of illegal drug sales. He also intended to give false information to banks to obtain loans and lines of credit for his company. The Supreme Court held that Berman's fraudulent intent constituted moral turpitude and found that he did not uphold the high ethical standards of honesty and integrity required of attorneys. He was disbarred. Like Berman, Schwarcz participated in a conspiracy involving proceeds that he believed were garnered from illegal activity, though we do not make a finding of the specific illegal activity.

And, like Berman, Schwarcz used his position as an attorney to transfer a large amount of money through his firm's trust account.

\*10 Schwarcz argues that *Berman* is inapplicable due to the different type of evidence presented in that case. He asserts that the moral turpitude finding in *Berman* was supported by direct evidence, including the testimony of a federal agent. Schwarcz characterizes the evidence in his case as uncorroborated and inadmissible hearsay. As noted, his argument on review is meritless as we rely on clearly admissible evidence consisting of Schwarcz's plea agreement, the transcript in federal court related to his plea, and his testimony at the disciplinary trial.

Schwarcz also argues that his discipline should be based only on his conviction for conspiring to conduct an illegal money transmitting business. But we are obligated to consider, and we have, his entire course of conduct to determine moral turpitude in the facts and circumstances surrounding the conviction. (*In the Matter of Miller* (Review Dept. 2008) 5 Cal. State Bar Ct. Rptr. 110, 115 ["wide ambit of facts surrounding the commission of a crime is appropriate to consider in a conviction referral proceeding"].) It is the misconduct, not the conviction, that warrants discipline. (In re Gross, supra, 33 Cal.3d at p. 566.)

Schwarcz contends that he has profoundly changed his life over the past several years and is mindful of the issues that led him to make poor choices. We must consider, however, that his criminal misconduct involved dishonesty and moral turpitude. In the practice of law, honesty is absolutely fundamental. Without it, "the profession is worse than valueless in the place it holds in the administration of justice." (*Tatlow v. State Bar* (1936) 5 Cal.2d 520, 524;

see Kim v. Westmoore Partners, Inc. (2011) 201 Cal.App.4th 267, 292 ["It is critical to both the bench and the bar that we be able to rely on the honesty of counsel"].) Further, it is concerning that Schwarcz engaged in the present criminal misconduct while his first discipline case was pending. This reveals a brazen willingness to commit serious criminal acts at a time when he was under scrutiny by the State Bar for other alleged misconduct. Such behavior reinforces our view

that Schwarcz may continue to commit misconduct in the future.

Disbarments have been the rule rather than the exception in disciplinary matters for serious crimes where the facts and circumstances involve moral turpitude. (In re Crooks (1990) 51 Cal.3d 1090, 1101.) Schwarcz's case is no exception. Here, disbarment is in line with the applicable discipline standard and comparable case law. A lesser discipline would not adequately protect the public and the courts, and surely would not uphold confidence in the legal profession.

In the Matter of Burns (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 406, 416 [discipline system is responsible for preserving integrity of legal profession as well as protection of public].)

#### VI. RECOMMENDATION

For the foregoing reasons, we recommend that David Richard Schwarcz be disbarred from the practice of law and that his name be stricken from the roll of attorneys admitted to practice law in California.

We further recommend that he comply with rule 9.20 of the California Rules of Court and perform the acts specified in subdivisions (a) and (c) of that rule, within 30 and 40 days, respectively, after the effective date of the Supreme Court order in this matter.

We further recommend that costs be awarded to the State Bar in accordance with section 6086.10, such costs being enforceable as provided in section 6140.7 and as a money judgment. Unless the time for payment of discipline costs is extended pursuant to subdivision (c) of section 6086.10, costs assessed against a member who is actually suspended or disbarred must be paid as a condition of reinstatement or return to active status.

#### VII. MONETARY SANCTIONS

\*11 The court does not recommend the imposition of monetary sanctions as all the misconduct in this matter occurred prior to April 1, 2020, the effective date of rule 5.137 of the Rules of Procedure of the State Bar, which implements Business and Professions Code section 6086.13. (See In the Matter of Wu (Review Dept. 2001) 4 Cal. State Bar Ct. Rptr. 263, 267 [rules of statutory construction apply when interpreting Rules

Proc. of State Bar]; Evangelatos v. Superior Court (1988) 44 Cal.3d 1188, 1208-1209 [absent express retroactivity provision in statute or clear extrinsic sources of intended retroactive application, statute should not be retroactively applied]; Myers v. Philip Morris Companies, Inc. (2002) 28 Cal.4th 828, 841 [where retroactive application of statute is ambiguous, statute should be construed to apply prospectively]; Fox v. Alexis (1985) 38 Cal.3d 621, 630–631 [date

VIII. ORDER

of offense controls issue of retroactivity].)

The order that David Richard Schwarcz be involuntarily enrolled as an inactive attorney of the State Bar pursuant to section 6007, subdivision (c) (4), effective December 5, 2019, will remain in effect pending consideration and decision of the Supreme Court on this recommendation.

WE CONCUR:

McGILL, J.

HONN, J.

**All Citations** 

Not Reported in Cal.Rptr., 2020 WL 6892001

**End of Document** 

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## EXHIBIT 18

Case 2:21-ad-00461-PSG Document 2 Filed 02/22/22 Page 1 of 2 Page ID #:3 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 CENTRAL DISTRICT OF CALIFORNIA 10 11 In the Disciplinary Matter of CASE NO: 2:21-ad-00461-PSG 12 David R Schwarcz ORDER OF DISBARMENT 13 California State Bar # 152896 14 15 16 17 On December 10, 2021, the Court issued an Order to Show Cause why 18 the attorney named above should not be disbarred from the Bar of this Court, 19 pursuant to Local Rule 83–3.2, as a result of his or her disbarment by the Supreme 20 Court of California, resignation from the State Bar with charges pending, or enrollment as an involuntary inactive member of the State Bar with cases pending 21 in this Court. A written response to the Order to Show Cause was due thirty days 22 23 from the date the Order was issued. The Court has received no response that 24 contests the imposition of discipline. 25 IT IS THEREFORE ORDERED that the attorney named above is hereby 26 disbarred from the practice of law in this Court pursuant to Local Rule 83–3.2.1. 27 As provided by Local Rule 83–3.2.4, the attorney disbarred by this Order will be reinstated to the Bar of this Court upon proof of his or her reinstatement as an 28

Document 2 Filed 02/22/22 Page 2 of 2 Page ID #:4 Case 2:21-ad-00461-PSG active member in good standing with the State Bar. 2 An attorney registered to use the Court's Electronic Case Filing System 3 (ECF) who is disbarred by this Court will not have access to file documents electronically until the attorney is reinstated to the Bar of this Court. 4 5 Pul 1 St. 6 7 Date: February 22, 2022 8 PHILIP S. GUTIERREZ CHIEF UNITED STATES DISTRICT JUDGE 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

## EXHIBIT 19

2007 WL 7540970
Only the Westlaw citation is currently available.
NOT FOR PUBLICATION

United States Bankruptcy Appellate Panel of the Ninth Circuit.

In re David SCHWARCZ and Caroline Schwarcz, Debtors. Official Committee of Creditors Holding Unsecured Claims, Appellant,

Helene Lederman, Appellee.

Nos. CC-06-1386-PaMaB, LA 06-11930-AA.

| Argued and Submitted on July 27, 2007.

| Filed Aug. 29, 2007.

Appeal from the United States Bankruptcy Court for the Central District of California, Honorable Alan Ahart, Bankruptcy Judge, Presiding.

Before: PAPPAS, MARLAR<sup>2</sup> and BRANDT, Bankruptcy Judges.

Hon. James M. Marlar, United States Bankruptcy Judge for the District of Arizona, sitting by designation.

#### MEMORANDUM 1

- This disposition is not appropriate for publication. Although it may be cited for whatever persuasive value it may have (*see* Fed. R.App. P. 32.1), it has not precedential value. *See* 9th Cir. BAP Rule 8013–1BAP Rule 8013–1.
- \*1 This is an appeal of a supplemental order granting relief from stay entered in Debtors' chapter 11 <sup>3</sup> case to allow entry and enforcement of a state court judgment. We AFFIRM.
- Unless otherwise indicated, all chapter, section and rule references are to

the Bankruptcy Code, 11 U.S.C. §§ 101–1532, and to the Federal Rules of Bankruptcy Procedure, Rules 1001–9036.

#### **FACTS**

David and Caroline Schwarcz (together, "Debtors" and individually "David" and "Caroline") filed a chapter 11 petition on May 10, 2006. Pursuant to § 1102(a)(1), the U.S. Trustee appointed a committee of unsecured creditors ("the Committee") on July 3, 2006. Debtors' schedules list two residential properties: the "Hillcrest Property," valued at \$3,700,000, and the "Beverly Hills Condo," valued at \$830,000.

Appellee Helene Lederman ("Lederman") had acquired the Hillcrest Property by quitclaim deed in 1991 from her ex-husband as part of a divorce settlement. Lederman alleges that her husband accumulated a number of debts both before and after their divorce that resulted in judgment liens against the Hillcrest Property, but that she was unaware of these liens until 1999.

Lederman alleges that she was contacted by Caroline in 1999 through a mutual acquaintance. At a meeting with Debtors, they told Lederman that they were acquainted with liens on the Hillcrest Property because David, a lawyer, was representing one of the lienholders. They warned Lederman she was in imminent danger of losing the Hillcrest Property. In subsequent meetings and telephone conversations, David suggested that he could save Lederman's equity interest in the Hillcrest Property, but would only help if she transferred the property to the Debtors. David offered her \$750,000 to transfer the Hillcrest Property immediately, but allegedly told Lederman that if she would wait and trust him, Debtors could eventually pay her \$1.5 million or even more for her interest in the property. It was always Lederman's understanding, however, that she would be paid at least \$125,000 by Debtors at the time of transfer of the property, with the balance (somewhere between \$625,000 and \$1.375 million, or possibly more) paid in installments over time.

Lederman agreed to retain David as her attorney in March 1999. At a meeting between Lederman and David, they reviewed a retainer agreement which included a provision that "In full consideration for [David's] services, including negotiating with third parties on client's behalf trial and appellate work, client has agreed to enter into the Purchase and Sale Agreement for the Hillcrest Property." Lederman believes she signed this agreement, but that David did not give her a copy.

On March 28, 1999, David sent Lederman a "Written Informed Consent to Transact Business with Client Concerning the Purchase of [Hillcrest Property]." According to Lederman, the consent letter described a complex arrangement whereby Debtors would purchase the Hillcrest Property, and that Lederman expected to receive at least \$750,000 for her interest in the property. If she did not, the consent letter purportedly provided that Lederman "had the right to accept a lesser amount or instruct the Law Offices of David R. Schwarcz to proceed with appropriate legal action in an effort to negotiate a satisfaction of the relevant liens [of creditors on the property]."

- \*2 On or about April 21, 1999, Lederman agreed to meet Debtors to execute the various documents relating to the transfer of the Hillcrest Property. When Lederman arrived at the meeting, she learned for the first time that she would be transferring the Hillcrest Property to a "dummy corporation" owned by Debtors called "FRNY." David directed her to sign a Side Agreement and Grant Deed 4 transferring the Hillcrest Property to FRNY, which she did. When Lederman asked David about the remaining documents concerning the transfer of the Hillcrest Property, including the purchase agreement and the promissory note and the \$125,000 initial cash payment by which Debtors would purchase the Hillcrest Property, David informed her that he was pressed for time but would get the remaining documents and money to her later.
- The executed grant deed was recorded in the official records of Los Angeles County on June 18, 1999, as instrument 991127646.

At some point shortly after Lederman signed the grant deed, David told Lederman that it would be foolish for Debtors to pay Lederman the minimum \$125,000 initial payment on the property in cash because Lederman "should not have any assets in her own name." Instead, David advised Lederman that

Debtors should use this money as a down payment on another residence that Lederman would move into after vacating the Hillcrest Property. David indicated that Caroline should hold legal title to the new property because Caroline had a better credit rating and Lederman should not have any assets in her own name. David allegedly assured Lederman that Caroline would transfer title to Lederman after Lederman resolved her debt problems.

Lederman located and selected the Beverly Hills Condo as suitable for her purposes. As agreed, Debtors purchased the Beverly Hills Condo making a \$125,000 down payment with legal title vested in Caroline. After the closing, David told Lederman that Lederman should sign a lease agreement with Caroline. Although the lease indicated that Lederman was only a tenant, David told Lederman that it was necessary for her protection. Lederman signed the lease.

Over the next two years, Lederman acknowledges that David provided legal services to her in an effort to negotiate a reduction of the liens against the Hillcrest Property. She repeatedly pressed him to deliver the promissory note securing Debtors' obligation for payment on the Hillcrest Property. On or about October 3, 2000, David made a payment to Lederman of \$60,000, but he refused to give her the promissory note because Lederman should not have assets in her name and that the promissory note would be an asset vulnerable to creditors. For that reason, the \$60,000 was made payable to Providential, another corporation David controlled, with Lederman having drawing rights on an account at Providential.

Debtors allegedly told Lederman they needed to refinance the Hillcrest Property before they could pay Lederman the sums they owed her, and Lederman states that Debtors repeatedly informed her that they were unable to refinance. In fact, Lederman would discover later that Debtors had secured a loan on the Hillcrest Property for \$312,000 on May 23, 2000, and another on January 9, 2003, for \$1,140,000.

\*3 The record does not detail the events that led Lederman to file suit against Debtors in Los Angeles Superior Court, <sup>5</sup> Lederman v. Schwarcz, Case no. BC 307709. In that action, on October 13, 2005, Lederman filed a Verified Sixth Amended

Complaint including eleven counts against Debtors for, among other things, breach of contract for failure to pay a minimum of \$750,000 for the Hillcrest Property and for failure to transfer the Beverly Hills Condo to her; breach of fiduciary duty against David under the purchase agreement and under the attorney-client relationship; negligent and intentional misrepresentation; fraud; rescission of contract; unjust enrichment; and conversion. Lederman also sought equitable relief for quiet title of the Hillcrest Property and Beverly Hills Condo in her name.

There is an unexplained entry in Debtors' Schedule B, listing a judgment against Lederman in the amount of \$69,720.00. We are unable to determine from the record any details on this debt. However, there appears to have been an argument made in the state court action by Debtors for an offset of some unidentified debt owed by Lederman to Debtors against Lederman's award, which was rejected by the state court.

The state action culminated in a jury trial. On March 29, 2006, the jury rendered its verdict in favor of Lederman for breach of contract, breach of fiduciary duty, concealment, and conversion, awarding her \$2,718,936 in economic damages and \$2,000,000 in damages for emotional distress. On March 30, 2006, the jury returned a second verdict in favor of Lederman for \$500 in punitive damages. Then, on April 13, 2006, after a hearing, the state court ruled on Lederman's claims for equitable relief. The state court voided the conveyances pursuant to which Debtors obtained title to the Hillcrest Property and Beverly Hills Condo and quieted titled to them in Lederman's name. The trial judge court was particularly scathing in comments made to Debtors' attorney concerning Debtors' actions:

Don't you understand what your client has done is very, very wrong? It's fraudulent.... Your client has committed fraud. He's taken advantage of this lady and taken all of her property from her, all of [her] worldly possessions except [what] she was able to move.... So this

lady has suffered for six years, six years from the time she entered into this transaction; six years.... I'm telling you what I have seen in this case. In the 30 years I've been on this bench I've never seen such outrageous and e[g]regious conduct by an attorney. It is the wors[t] case I've ever seen. I don't think there's a reported case in the books that would show what this, your client has done in this case in all the books. What your client has done.

Tr. Hr'g 12:24—13:25 (April 13, 2006). The judge directed Lederman to prepare a proposed judgment, which was lodged on April 24, 2006. Debtors filed an objection to the form of the judgment on May 4, 2006. Then, as noted above, on May 10, 2006, Debtors filed their chapter 11 petition. On May 12, 2006, Debtors filed a notice in state court concerning the filing of the chapter 11 petition and the automatic stay.

On May 30, 2006, the state court conducted a hearing regarding Debtors' objection to the proposed judgment. After reviewing the notice of bankruptcy filing by Debtors, the state court issued an Order to Show Cause why the judgment should not be entered, with a hearing on the OSC set for July 28, 2006. <sup>6</sup>

It is not clear why the state court, having acknowledged receipt of the notice of the bankruptcy filing, decided it was appropriate to issue the show cause order and schedule a hearing in what was apparently a clear violation of the automatic

stay. In re Pettit, 217 F.3d 1072, 1080 (9th Cir.2000) (signing or entry of orders by a judge does not fall within the "ministerial act" exception to the automatic stay). However, as discussed below, the state court did not enter the judgment until after the stay had been modified by the bankruptcy court, likely rendering the state court's earlier stay violations harmless.

\*4 On July 14, 2006, Lederman filed a Motion for Relief from Stay (the "Original Motion") in the bankruptcy court. Lederman's Original Motion sought relief from the stay so that the state court could enter the judgment. Debtors opposed stay relief. The Committee did not file an objection but one creditor who was a member of the committee, Gerry Burk, did. The bankruptcy court held a hearing on the Original Motion on August 9, 2006. Counsel for Lederman, Debtors and the Committee were present. None of the parties to this appeal provided the Panel with a transcript of this hearing, nor is that transcript in the docket of the bankruptcy case. However, all parties agree that the bankruptcy court granted the Original Motion. They disagree, however, as to the effect and extent of the court's rulings at the hearing. For example, Debtors suggest in their Objection to Lederman's Order that:

At the hearing, the Court ruled that Lederman's Motion would be granted and that Lederman would be granted relief from the automatic stay for the limited purpose of proceeding to judgment in the State Action. No other relief was granted, and Mr. Kogan [attorney for the Committee] clarified on the record that relief was limited to only entry of judgment in the state action, but not enforcement or execution on any such judgment.

In the Declaration of David Weinstein, attached to Lederman's Reply to Debtors' Objection to Lederman Order, Lederman responds that:

The court stated on the record that Mrs. Lederman's Stay Motion would be granted and the stay should be vacated. Upon question by Mr. Kogan as to the parameters of the relief

from stay, the Court repeated that the Stay Motion would be granted to the fullest extent of relief sought in it.

The proposed order submitted by Lederman to the bankruptcy court (the "Lederman Order") provided:

Movant may proceed the non-bankruptcy forum to final judgment (including any appeals) in accordance with applicable non-bankruptcy law. A judgment substantially in the form presented with the motion for Relief from Stay as it might be modified by the state court, may be signed, entered and put into effect, so long as no execution is made against property of the estate. Execution against insurance, such as malpractice insurance of the Debtor, to the extent it exists, may be pursued under applicable non-bankruptcy law and rules of practice. Eviction of the debtors, if authorized by the state court, is permitted.

The copy of this proposed order in the record bears a handwritten notation by the bankruptcy judge that "This order was not signed. AMA."

Debtors filed an objection to the Lederman Order arguing that it provided relief beyond what was requested in the Original Motion, and did not accord with the bankruptcy court's ruling at the hearing. Debtors provided an alternative order for the bankruptcy court's consideration.

On August 25, 2006, the bankruptcy court entered an abbreviated version of Debtors' proposed order:

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\*5 Movant may proceed in the non-bankruptcy forum to final judgment (including any appeals) in accordance with applicable non-bankruptcy law. A judgment substantially in the form presented with the motion for Relief from Stay as it might be modified by the state court, may be signed and entered.

The bankruptcy court apparently agreed with Debtors that the provisions suggested by Lederman authorizing execution against malpractice insurance and allowing eviction of Debtors should be omitted. However, the bankruptcy court in its own handwriting and initials deleted the Debtors' proposed restriction that "so long as no execution is made against property of the estate and such judgment does not affect the property of the estate."

Neither party appealed the August 25, 2006, order. However, counsel for Lederman felt uncertain about the scope of this order and filed a Supplemental Motion for Relief from Stay. At the same time, Lederman filed a Motion [for an order] Shortening Time for hearing the Supplemental Motion, in which Lederman alleges that three areas in the August 25, 2006, order should be supplemented. In particular, Lederman sought a clarification that she could:

(I) move the state court to record whatever judgment the state court enters; (ii) enforce whatever judgment the state court enters to effectuate the obvious purpose of the judgment to immediately return title, ownership in all respects and possession of the Properties to Mrs. Lederman; and (iii) cause the Debtors' eviction from the Properties should the state court award Mrs. Lederman possession of the

Properties and the Debtors fail to properly evacuate.

Lederman also requested permission to pursue a claim against Debtors' malpractice insurance.

Both the Committee and the Debtors filed objections to the Supplemental Motion. They argued that the Supplemental Motion did not contain any new factual information, did not contain any new documents, and was merely a disguised motion for reconsideration. The Committee and Debtors objected to the Supplemental Motion because it sought the same relief as the Original Motion.

On September 13, 2006, the state court signed and entered Lederman's proposed judgment (hereafter the "State Court Judgment") awarding Lederman \$4,718,936 in compensatory damages, \$500 in punitive damages, voiding *ab initio* the purported sale of the Hillcrest Property by Lederman to Debtors, quieting title in both the Hillcrest Property and Beverly Hills Condo to Lederman in fee simple absolute, and directing Debtors to vacate the properties.

The bankruptcy court heard arguments on the Supplemental Motion on September 27, 2006. After hearing arguments of all counsel, the court announced its decision:

I'm going to rule at this point. I am satisfied that the creditor has made the appropriate showing here. I'm going to grant the motion as follows: Number one, I will allow them to pursue the applicable insurance.... Secondly, I will grant the moving party the ability to enforce the judgment that was entered only as against the real property, to wit, possession, whatever it takes, only as against the real property, cannot collect on any money judgment, cannot obtain any additional liens against other assets, et cetera, et cetera.

\*6 Tr. Hr'g 7:16—8:4 (September 27, 2006). A Supplemental Order was entered by the court on October 16, 2006, which recites:

[Lederman] may proceed in the non-bankruptcy forum to final judgment (including any appeals) in accordance with applicable non-bankruptcy law. Furthermore, the judgment signed by the state court may be entered, recorded, executed upon and put into effect as to title, ownership, possession, and all other rights in, to and against the two parcels of property affected by that judgment [the Hillcrest Property and Beverly Hills Condo]. No execution may be made against property of the estate. However, [Lederman] may also proceed against insurance, such as malpractice insurance of the Debtor, to the extent it exists. Eviction of the Debtors, if authorized by the state court, is permitted.

The Committee filed a timely notice of appeal of the Supplemental Order on October 25, 2006. <sup>7</sup>

Debtors appealed the State Court Judgment to the California Court of Appeals. We are unaware of whether there has been any decision by the appellate court. Debtors vacated and surrendered the keys to the Hillcrest Property and the Beverly Hills Condo to Lederman.

On April 18, 2007, the bankruptcy court granted the motion of the U.S. Trustee to convert Debtors' case to a case under chapter 7 based upon their failure to

timely file a proposed plan of reorganization. On April 26, 2007, John J. Menchaca was appointed to serve as chapter 7 trustee in that case ("Trustee").

#### JURISDICTION

The bankruptcy court had jurisdiction pursuant to 28 U.S.C. §§ 1334 and 157(b)(2)(G). We have jurisdiction pursuant to 28 U.S.C. § 158.

#### ISSUE<sup>8</sup>

In its opening brief, the Committee also lists as an issue on appeal whether the bankruptcy court erred in allowing the state court to evict the debtors. We do not address this issue. First, no stay pending appeal was entered, and this issue was likely mooted before the Committee filed its opening brief when Debtors vacated the Hillcrest Property and surrendered the keys to both the Hillcrest Property and the Beverly Hills Condo. Second, neither the Committee in its opening brief nor Trustee in the Reply Brief argue this issue, nor was it discussed during oral argument before the Panel.

Whether the bankruptcy court abused its discretion in granting Lederman's Supplemental Motion for Relief from Stay.

#### STANDARD OF REVIEW

We review the bankruptcy court's decision granting a motion for relief from stay for abuse of discretion. *In re Umali*, 345 F.3d 818, 822 (9th Cir.2003); *Duvar Apt. v. FDIC (In re DuVar Apt.)*, 205 B.R. 196 (9th Cir.BAP1996).

#### DISCUSSION

A.

#### Trustee and the Committee

First, we note a novel procedural concern about the parties to this appeal.

After the Committee filed its notice of appeal and opening brief, the bankruptcy court converted Debtors' case from chapter 11 to chapter 7. As discussed below, most case law holds that a chapter 11 creditors' committee is effectively dissolved upon conversion. But in this instance, while the Committee initially prosecuted the appeal, the trustee appointed in Debtors' converted chapter 7 case filed the reply brief. In that brief, Trustee claims he is empowered to pursue the appeal as the "assignee" of the rights of the Committee, as well as in his status as the successor to Debtors, who he argues were also "parties" to the appeal. In particular, Trustee argues that the Committee has agreed to execute an assignment of its interests in the appeal to Trustee, although no such assignment by the Committee has apparently been executed nor included in the record. Trustee also asserts that the former debtors-in-possession joined in the appeal. There is also nothing in the record to evidence any such joinder. 9

The notice of appeal filed by the Committee listed the Committee as the sole appellant, Lederman as the sole appellee, and Debtors as a "party in interest." Debtors' attorney did not sign the notice of appeal. Debtors did join in a motion filed in the bankruptcy court for stay pending appeal. However, their pleading joining in that motion argues that the bankruptcy court should stay the Supplemental Order pending outcome of a dischargability proceeding pending in the bankruptcy court, not this appeal.

Although chapter 11 expressly provides for the creation of an unsecured creditors' committee, § 1102(a), and bestows "party in interest" standing on that committee, § 1109(b), the Bankruptcy Code is silent concerning the status of the committee upon conversion of the bankruptcy case to another chapter. Nevertheless, a significant number of courts agree with Lederman's contention that a creditors' committee loses its powers upon conversion. *See, e.g.*,

Official Comm. Of Unsecured Creditors v. Belgravia Paper Co. (In re Great Northern Paper Co.), 299 B.R. 1, 5 (D.Me.2003) ("Once the Chapter 11 case was converted to a Chapter 7 case, the Committee ceased to exist; the Committee's attorney therefore had no authority to make an assignment, nor did the Committee have any rights to assign."); In re World Health Alternatives, Inc., 344 B.R. 265, 268 (M.D.Fla.2006) (citing Great Northern Paper ); In re Parks Jaggers Aerospace Co., 129 B.R. 265, 268 (M.D.Fla.1991); Unsecured Creditors Comm. Of Butler Group, Inc. V. Butler (In re Butler), 94 B.R. 291, 295 (Bankr.N.D.Tex.1989); In re Kel-Wood Timber Products Co., 88 B.R. 91, 94 (Bankr.E.D. Va. 1988); see also, 4 NORTON BANKR.L & PRAC.2D § 78:10.5 Since the bankruptcy court entered its order converting Debtors' case to chapter 7 on April 18, 2007, as of that date, according to this line of cases, the Committee was effectively dissolved.

\*7 However, based upon our research, no federal appellate court has ruled conclusively regarding the status and rights of a chapter 11 creditors' committee following conversion of the case to chapter 7. Trustee does not contest Lederman's argument that, upon conversion, the Committee was dissolved and could not continue with this appeal, <sup>10</sup> and so we need not review that question. And since there is nothing in the record to support Trustee's argument that the (by-then) dissolved Committee "assigned" its right to pursue this appeal to him, we also need not address the efficacy of such a transaction in this context. <sup>11</sup>

- In Lederman's brief, she argues that, because of the conversion, the Committee was dissolved and therefore may not pursue this appeal. However, since Trustee did not appear in this appeal until he filed the reply brief, Lederman had no opportunity to brief the issue of Trustee's status.
- We note that one circuit has ruled that a chapter 7 trustee succeeds *only* to the rights of the debtor-in-possession. *Hill v. Akamai Technologies, Inc.* (In re MS55, Inc.), 477 F.3d 1131, 1138 (10th Cir.2007). In other words, the only rights of the creditors'

committee that a trustee may assert are those derived from either the debtor or the bankruptcy estate. *Id.* 

The Committee may not act on behalf of, or with rights derivative of, the debtor-inpossession or estate without permission

of the bankruptcy court. Liberty Mut. Ins. Co. v. Official Creditors' Comm. Of Spaulding Composites, Inc., 207 B.R. 899, 904 (9th Cir.BAP1997). In this case, it is undisputed that the bankruptcy court never authorized the Committee to act on behalf of Debtors or the bankruptcy estate.

Finally, we are not persuaded by Trustee's argument that he succeeded to the debtors-in-possession's status as an appellant in this appeal. As a general rule, we do not question the authority of a chapter 7 trustee to succeed to the rights of the debtor-in-possession in a converted chapter 11 case. Upon conversion, the chapter 7 trustee becomes the sole representative of the estate. § 323(a). The trustee succeeds to the rights, responsibilities and liabilities of the estate and debtor-

in-possession. *Dobin v. Presidential Fin. Corp.* (In re Cybridge Corp.), 312 B.R. 262 (D.N.J.2004). But here, in spite of Trustee's claims that Debtors "joined" in the appeal, and therefore that Trustee may substitute for Debtors as an appellant, the record contains nothing to establish that this joinder occurred. 12 Absent such, we cannot say that Trustee stands as a matter of right in the shoes of the former debtor-in-possession in this appeal, whatever those rights may have been.

We note that, had Trustee moved to substitute himself for the Committee pursuant to Fed. R.App. P. 43(b), there is some authority that would allow us to grant the substitution.

\*\*Malick v. Int'l Bhd. Of Elec. Workers, 814 F.2d 674, 679 (D.C.Cir.1987)(appellate court may substitute for a deceased party under Appellate Rule 43(b) a party that could have joined in the appeal). However, Trustee has not moved for substitution under Fed. R.App. P. 43(b), and we are unsure of our authority to act sua sponte on this question.

\*\*Alabama Power Co. v. ICC.\*\*

852 F.2d 1361, 1366 (D.C.Cir.1988) (motion for substitution required when substitution is contested).

We also note that Rule 6009 would likely not allow a trustee to appear in an appeal in place of creditors on his own initiative and without court or panel approval. While Rule 6009 allows a trustee to appear in the place of a debtor, it does not allow a trustee to step into a creditor's shoes when, as here, the creditor is acting only in the interests of some but not all

creditors. Koch Refining v. Farmers Union Cent. Exch., Inc., 831 F.2d 1339, 1348–49 (7th Cir.1987).

In short, we are skeptical regarding Trustee's status in this appeal. However, because we affirm the decision of the bankruptcy court on the merits, we do not consider it necessary to examine whether Trustee is a proper appellant here.

B.

The bankruptcy court did not abuse its discretion in granting the Supplemental Motion for Relief from Stay.

Neither the Committee nor Trustee have argued that the bankruptcy court abused its discretion by concluding that sufficient cause existed to grant Lederman's Original Motion and relief from the automatic stay.

Moreover, neither the Committee nor Trustee have questioned the propriety of the provisions of the bankruptcy court's order granting the Original Motion entered on August 25, 2006. In part, that order clearly provided that "A judgment substantially in the form presented with the motion for Relief from Stay as it might be modified by the state court, may be signed and entered." The form of judgment that had been proposed by Lederman to the state court, which the bankruptcy court had before it at the time it entered the order granting the Original Motion, included a provision quieting title in Lederman to both properties. In other words, neither the Committee nor Trustee challenge the bankruptcy court's exercise of discretion to allow the state court to enter a judgment

providing that Lederman held fee simple title to the two properties and quieting ownership to them in her.

\*8 Instead, the Committee and Trustee target the bankruptcy court's Supplemental Order. In particular, Trustee argues that the bankruptcy court abused its discretion in granting the Supplemental Motion in three ways: (1) an adversary proceeding in the bankruptcy court was required to determine ownership of the Hillcrest Property and Beverly Hills Condo; (2) the Supplemental Motion was merely a disguised motion for reconsideration and did not fulfill the requirements for such motions; and (3) the granting of the Supplemental Motion violated the local bankruptcy rules of the Central District of California. It is not obvious that, had the motion been styled as one for clarification rather than supplemental, any of these issues would have arisen.

In its Opening Brief at p. 20, the Committee cites numerous cases, including our own, for the proposition that:

The Bankruptcy Court has jurisdiction over all "core" proceedings, which include, but are not limited to, matters concerning the administration of the Debtors' estate and other proceedings affecting the liquidation of assets of the estate. 28 U.S.C. § 157(b) (2)(A) & (O). Accordingly, the State Court does not have authority to determine what constitutes property of the estate and dispose of the Debtors' properties.

But the Ninth Circuit has cautioned against the precise argument made here by the Committee and Trustee. The property dispute in this appeal was fully tried and adjudicated in a state court and dealt principally with state law causes of action, *i.e.*, breach of contract and breach of fiduciary duty. The claims raised by Lederman in the state action are founded upon state law

and could "not have been commenced in a court of the United States absent jurisdiction under [the bankruptcy

provisions]." 28 U.S.C. § 1334(c)(2). As the court of appeals ruled, to characterize such litigation as a core proceeding within the exclusive jurisdiction of the bankruptcy court would raise constitutional problems under *Marathon*, given the state litigation's common law nature. "We have held that a court should avoid characterizing a proceeding as core if to do so would raise constitutional problems. The apparent broad reading that can be given to \$157(b)(2) should be tempered by the *Marathon* decision." *Christensen v. Ward* (In re Tucson Estates, Inc.), 917 F.2d 1162, 1166 (9th Cir.1990).

Although not specifically cited, the Committee and Trustee appear to rely on 28 U.S.C. § 1334(d): "The district court in which a case under chapter 11 is commenced or is pending shall have exclusive jurisdiction of all of the property, wherever located, of the debtor as of the commencement of such case, and of property of the estate." In *Tucson Estates*, again, the court of appeals cautioned against giving this provision too broad a scope.

Congress did not intend this provision to reach ... broadly.... The provision's purpose was to eliminate the jurisdictional distinctions between property in the possession and property not in the possession of the bankruptcy court. See 124 CONG. REC. 11, 108, 17, 408, 17, 425 (1978); 1 COLLIER BANKRUPTCY MANUAL § 23.00 (1978). Courts applying the provision defer to state courts in many cases that concern estate property.

\*9 Tucson Estates, 917 F.2d at 1166.

A bankruptcy court "shall" grant relief from the automatic stay "for cause." § 362(d)(1). Where

a bankruptcy court may exercise discretionary abstention in deciding issues in favor of an imminent

state court action involving the same issues, cause may exist for lifting the stay as to the state court action.

In re Castlerock Properties, 781 F.2d 159, 163 (9th Cir.1986). The *Tucson Estates* court listed the criteria that bankruptcy courts should apply in discretionary abstention.

(1) the effect or lack thereof on the efficient administration of the estate if a court recommends abstention, (2) the extent to which state law issues predominate over bankruptcy issues, (3) the difficulty or unsettled nature of the applicable law, (4) the presence of a related proceeding commenced in state court or other nonbankruptcy court, (5) the jurisdictional basis, if any,

the degree of relatedness or remoteness of the proceeding to the main bankruptcy case, (7) the substance rather than form of an asserted core proceeding. (8) the feasibility of severing state law claims from core bankruptcy matters to allow judgments to be entered in state court with enforcement left to the bankruptcy court, the burden of (9) the bankruptcy court's docket, (10)the likelihood that the commencement of the proceeding in bankruptcy court involves forum shopping by one of the parties, (11) the existence of a right to a jury trial, and (12) the presence in the proceeding of nondebtor parties.

912 F.2d at 1167. Because the Committee and Trustee have not provided us with a transcript of the hearing at which the bankruptcy court explained its reasons for granting the Original Motion, we cannot precisely determine if the bankruptcy court actually applied any of these twelve criteria in its analysis. We have previously warned litigants that "failure to provide an adequate record may be grounds for affirmance." *In re Burkhart*, 84 B.R. 658 (9th Cir.BAP1988). However, on this record, it would appear that factors 1, 2, 4, 5, 7, 9 and 11 favor stay relief and none strongly support the contrary. We conclude, therefore, that the bankruptcy court had sufficient support in the record to grant the Supplemental Motion and to allow the state court to enter and enforce its judgment.

The Committee also cites Rule 7001(2) for the proposition that "a proceeding to determine the validity, priority, or other interest in property" is an adversary proceeding. We have no quarrel with this notion that, if the bankruptcy court were to decide the contest over who owned these properties, an adversary proceeding would be the required procedure. However, the Committee insists that "the effect of the Bankruptcy Court's ruling and the Supplemental Order was to make a determination of an interest in the properties, which is only appropriately made in an adversary proceeding." Committee's Opening Br. at 19. We disagree with this suggestion because it fails to recognize that the motions before the bankruptcy court were not to "make a determination of an interest in properties," but only to obtain a ruling as to where that determination would be made.

\*10 The Committee and Trustee refer to a several cases in arguing that the bankruptcy court should not grant stay relief when that action would also determine the merits of claims affecting property of the estate. For example, in \*\*In re Colrud\*, 45 B.R. 169 (Bankr.D.Ak.1984), a creditor sought to lift the stay to allow a judicial foreclosure sale. The \*Colrud\* court modified the automatic stay to provide adequate protection for the creditor by increasing the interest rate payable on a note. In a footnote in its decision, on which Trustee relies, the bankruptcy court opined that the question of whether debtors owned a particular property and whether the creditor was in fact a creditor

of the estate could not be litigated in a context of a motion to lift stay.

Trustee also cites two of our opinions to support his position. In *In re Lutz,* 219 B.R. 837, 841 (9th Cir.BAP1998), we determined that it was improper for a bankruptcy court to make a determination of a setoff claim pursuant to § 362(a)(7) in the context of a motion for relief from stay. And in *In re Boni,* 240 B.R. 381 (9th Cir.BAP1999), the Panel reversed a bankruptcy court's grant of a motion to annul the stay to allow entry of a state court action against the debtor, where the court also ruled that the judgment in the state court was nondischargeable.

As can be seen, all three cases cited by Trustee for the proposition that the bankruptcy court should not modify the stay where to do so would allow another court to determine claims affecting the property of the estate deal with decisions that implicated substantive rights under title 11. In the two cases decided by the Panel, we reversed bankruptcy courts that, in orders modifying the automatic stay, also ruled on the merits of underlying claims where such rulings should have been determined in the bankruptcy court in the context of an adversary proceeding. Thus, they do not support Trustee's general argument that the court should not lift the stay when that action might also affect the merits of claims affecting property of the estate. They only stand for the proposition that the court should not modify the stay where the effect of the court's order also determines other substantive rights under title 11 that are within the exclusive jurisdiction of the bankruptcy court. As discussed above, the determination of property rights under the facts of this case is not within the exclusive jurisdiction of the bankruptcy court.

In short, Trustee's fundamental premise that the bankruptcy court has "exclusive" jurisdiction, or even some nebulous form of preferred jurisdiction, over the property involved in the state court action, is flawed. In this context, an adversary proceeding in the bankruptcy court was not the only fashion in which issues involving ownership of these properties could be determined. <sup>13</sup>

At oral argument, both Trustee and Lederman seemed concerned that the bankruptcy court's decision may be interpreted as determining the parties' substantive rights in the Hillcrest and Beverly Hills properties. However, we conclude that, in its orders, the bankruptcy court made no such determination. The court merely modified the automatic stay to allow the parties to exercise whatever rights they may have under otherwise applicable law.

The other two arguments advanced by the Committee and Trustee, that the Supplemental Motion was merely a disguised motion for reconsideration and that the bankruptcy court's order approving the Supplemental Motion violated the local bankruptcy rules, also lack merit.

\*11 Lederman never asked the bankruptcy court to "reconsider" nor sought to overturn the order granting the Original Motion. Every reference in Lederman's pleadings and in counsel's comments at the hearings emphasized that the Supplemental Motion was designed to obtain a clarification of the authority of the state court to enter and enforce its judgment. The Supplemental Motion did not seek "a substantive change of mind by the court," a requirement in our circuit to construe a motion as one for reconsideration under Fed.R.Civ.P. 59(e). 14

Miller v. Transamerican Press, Inc., 709 F.2d 524, 526 (9th Cir.1983). Since the Supplemental Motion never attempted to undo, overturn or "substantive[ly] change" the original order, it is not a disguised motion for reconsideration and there is no need to apply the requirements of case law interpreting Fed.R.Civ.P. 59 to the Supplemental Motion. 15 In our view, the Supplemental Motion merely sought a more detailed statement of the relief the bankruptcy court intended to grant in the order disposing of the Original Motion.

- This rule is made applicable in bankruptcy cases by Rule 9023.
- When applicable, to obtain relief under Rule 59, the movant must show 1) the motion is necessary to correct manifest errors of law or fact upon which a judgment is based; 2) the moving party presents newly discovered

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evidence; 3) the motion is necessary to prevent manifest injustice; or 4) there is an intervening change in controlling law.

Turner v. Burlington N. Santa Fe R. Co., 338 F.3d 1058, 1063 (9th Cir.2003).

Finally, the bankruptcy court's order approving the Supplemental Motion also did not violate the local bankruptcy rules of the Central District of California. Local Bankruptcy Rule 1001-1(b)Central District of California. Local Bankruptcy Rule 1001-1(b) provides that: "The Local Bankruptcy Rules ... shall be applied uniformly throughout this District unless otherwise ordered by the Court in a particular matter." (Emphasis added.). Since the local rules allow an individual bankruptcy judge to opt out of the rules in a particular matter, it cannot be an abuse of discretion for the court to fail to enforce its own discretionary rules. Price v. Lehtinen (In re Lehtinen), 332 B.R. 404, 411 (9th Cir.BAP2005).

The procedural arguments raised by the Committee and Trustee do not convince us that the bankruptcy court abused its discretion. To the contrary, what the bankruptcy court faced was the simple question whether the automatic stay should be modified to allow a state court to enter and enforce a judgment resolving issues fully adjudicated prior to the bankruptcy filing. It granted the Original Motion and entered an order allowing the entry of judgment. However, when Lederman persuaded the bankruptcy court that its order required clarification, it granted the Supplemental Motion providing that the state court could not only enter a judgment, but that the judgment could be enforced as to the properties as well.

#### **CONCLUSION**

We AFFIRM the supplemental order of bankruptcy court.

#### **All Citations**

Not Reported in B.R., 2007 WL 7540970

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State



# STATE OF CALIFORNIA Office of the Secretary of State STATEMENT OF INFORMATION LIMITED LIABILITY COMPANY

California Secretary of State 1500 11th Street Sacramento, California 95814 (916) 657-5448 For Office Use Only

-FILED-

File No.: BA20241117044 Date Filed: 6/11/2024

Entity Details	
Limited Liability Company Name	LEVAV GROUP, LLC
Entity No.	202003110378
Formed In	CALIFORNIA
Street Address of Principal Office of LLC	
Principal Address	1702 S. ROBERTSON BLVD
	261 LOS ANGELES, CA 90035
Mailing Address of LLC	
Mailing Address  Mailing Address	1702 S. ROBERTSON BLVD
Mailing Address	261
	LOS ANGELES, CA 90035
Attention	
Street Address of California Office of LLC	
Street Address of California Office	1702 S. ROBERTSON BLVD
	261 LOS ANGELES, CA 90035
	EOS ANGLELS, CA 90000
Manager(s) or Member(s)	
Manager or Member Name	Manager or Member Address
<ul><li>Ahron Stock</li></ul>	1702 S. ROBERTSON BLVD
	261 LOS ANGELES, CA 90035
	EGG ANGLEEG, GA 30000
Agent for Service of Process	
Agent Name	Ahron Stock
Agent Address	1702 S. ROBERTSON BLVD
	261
	LOS ANGELES, CA 90035
Type of Business	
Type of Business	CONSULTING
Email Notifications	
Opt-in Email Notifications	No, I do NOT want to receive entity notifications via email. I
	prefer notifications by USPS mail.
Chief Executive Officer (CEO)	<del></del> 1
CEO Name	CEO Address
<ul><li>ahron stock</li></ul>	1702 S. ROBERTSON BLVD
	261 LOS ANGELES, CA 90035
	LOS ANGELES, CA 90035

#### Labor Judgment

No Manager or Member, as further defined by California Corporations Code section 17702.09(a)(8), has an outstanding final judgment issued by the Division of Labor Standards Enforcement or a court of law, for which no appeal is pending, for the violation of any wage order or provision of the Labor Code.

### Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Description Declaration of Gerrick Warrington Page 188 of 227

Electronic Signature							
By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.							
Ahron Stock 06/11/2024							
Signature	Date						



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More about This Attorney

**CLA Sections:** None

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### 11/1/24, 8:5 Case 2:24-bk-12079-VZ Doc 29&-3rge File Cs 1616/191/2497 - Enterget 1916:53:28 Desc Declaration of Gerrick Warrington Page 191 of 227

- Litigation
- Mergers & Acquisitions
- Personal Injury
- Professional Liability
- Real Estate
- Securities
- Trusts & Estates
- White Collar Crime
- Workers Compensation

### Additional Languages Spoken:

- By the attorney: Spanish
- By staff: Spanish

Law School: Loyola Law School; Los Angeles CA

### All changes of license status due to nondisciplinary administrative matters and disciplinary actions.

Date	License Status 1	Discipline 1	Administrative Action 1
Present	Active		
7/16/2021	Active		
7/7/2021	Not eligible to practice law in CA	Discipline w/actual suspension 18-C-13540 🚺	
2/12/2020		Disciplinary charges filed in State Bar Court 20-0-30009 📵	
2/20/2019	Active		
9/24/2018	Not eligible to practice law in CA	Interim suspension after conviction 18-C-13540 🛈	
8/7/2018		Conviction record transmitted to State Bar Court 18-C-13540 <b>i</b>	
12/19/198	Admitted to the State Bar of C	alifornia	

### **State Bar Court Cases**

The listing below is partial, as the State Bar Court is transitioning to online dockets. Please refer to the License Status, Disciplinary and Administrative History section above for a record of discipline cases. Case dockets and documents may be available using the State Bar Court Search for a Case feature; see instructions below.

Effective Date 1	Case Number	Description <b>1</b>
2/20/2019	18-C-13540	Order Terminating Suspension [PDF]
9/24/2018	18-C-13540	Interim Suspension Order [PDF]

Here is what you need to know to access discipline documents in public cases:

Documents are added to the State Bar Court's online docket as events occur.

### 11/1/24, 8:5 Case 2:24-bk-12079-VZ Doc 29& Gree File Child 149/2497 - Entered 13/13/24 16:53:28 Desc Declaration of Gerrick Warrington the Page 197 per 227 layed above and click Search

Search for a Case

for a Case. In the search box, paste the complete case number. If the case number begins with "19" or higher, you must add the prefix SBC to the case number, e.g., SBC [CASE NUMBER]. If a case number begins with 18 or lower, there's no need to add SBC.

Most public case records since 2000 are available through search. Older case records are available on request. The State Bar Court began posting public discipline documents online in 2005.

NOTE: Only Published Opinions may be cited or relied on as precedent in State Bar Court proceedings.

DISCLAIMER: Any posted Notice of Disciplinary Charges, Conviction Transmittal or other initiating document, contains only allegations of professional misconduct. The licensee is presumed to be innocent of any misconduct warranting discipline until the charges have been proven.

#### Additional Information:

About the disciplinary system

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### Electronically FILED by Superior Court of California, County of Los Angeles on 11/29/2021 04:03 PM Sherri R. Carter, Executive Officer/Clerk of Court, by J. Choi, Deputy Clerk Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 194 of 227

ATTORNEY OR PARTY WITHOUT ATTORNEY (name, state bar number, and address)	FOR COURT USE ONLY
Erin E. Patterson, SBN 262285 Thomas J. Sebourn, SBN 279272  Jason W. Tang, SBN 314337 Nicholas J. Babilis, SBN 291676	
Patrick J. Layman, SBN 59643 Carina M. Jordan, SBN 302099	
Shane T. Wate, SBN 302738	
Suttell & Hammer, APC	
P.O. Box C-90006 Bellevue, WA 98009	
TELEPHONE NO. (888) 788-8355 FAX NO. (425) 453-3239	
ATTORNEY FOR: JPMorgan Chase Bank, N.A.	
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES	
STREET ADDRESS: 9425 Penfield Avenue, Room 1200	
CITY AND ZIP CODE: Chatsworth CA 91311	
BRANCH NAME: NORTH VALLEY DIST, CHATSWORTH COURTHOUSE	
PLAINTIFF: JPMorgan Chase Bank, N.A. DEFENDANT: AHRON STOCK	
JUDGMENT	
[X] By Clerk [X] By Default [ ] After Court Trial	CASE NUMBER:
[ ] By Court [ ] On Stipulation [ ] Defendant did not Appear at Trial	21CHLC34951
[ ] Detendant did not repeat at that	
JUDGMENT	
1. [X] BY DEFAULT	
a. Defendant was properly served with a copy of the summons and	complaint.
b. Defendant failed to answer the complaint or appear and defend the	e action within the time allowed.
c. Defendant's default was entered by the clerk upon plaintiff's appl	ication.
d. [X] Clerk's Judgment (Code Civ. Proc., §585 (a)). Defendant v	
court of this state for the recovery of money.	, , , , , , , , , , , , , , , , , , ,
e. [ ] Court's Judgment (Code Civ. Proc., §585 (b)). This court co	nsidered
(1) [ ] Plaintiff's testimony and other evidence	nsidered
(2) [ ] Plaintiff's written declaration (Code Civ. Proc., §585	(4))
(2) [ ] I faintiff 3 written declaration (Code Civ. 1 foc., \$505	(u)).
2. [ ] ON STIPULATION	
a. Plaintiff and defendant agreed (stipulated) that a judgment be enti-	ered in this case. The court approved the
stipulated judgment and	
b. [ ] the signed written stipulation was filed in the case.	
c. [] the stipulation was stated in open court [] the stipulation w	as stated on the record
3. [ ] AFTER COURT TRIAL	
a. The case was tried on (date and time):	
before (name of Judicial Officer):	
b. Appearances by:	
[ ] Plaintiff (each name): [ ] Plaintiff's attorney (each name)	ne):
(1)    (1)	
(2) $(2)$	
Continued on Attachment 3b	
	ama).
	came).
$ \begin{array}{c} (1) \\ (2) \end{array} $	
(2)    (2)	
[ ] Continued on Attachment 3b	
c. [ ] Defendant did not appear in trial. Defendant was properly se	erved with notice of trial.
d. [ ] A statement of decision (Code Civ. Proc., § 632)	t □ was requested.

	NTIFF: JPMorg ENDANT: AHR	gan Chase Bank, N. ON STOCK	CASE NUMBER	R: 21CHLC34951			
	JUDGM	IENT IS ENTE	RED AS FOLLOWS	SBY:[]7	THE COURT	[X] THE CLER	a <b>K</b>
4. [ ]	Stipulated Jud	dgment. Judgme	nt is entered accordin	g to the sti	pulation of the pa	rties.	
5. <b>PA</b>		ment is or Plaintiff (each JPMorgan Chas and against Def AHRON STOC r defendant (each	e Bank, N.A. endant ( <i>name</i> ): K		r cross-complaina and against cro or cross-defendar	oss-defendant ( <i>na</i>	ame each):
5. <b>AN</b>	IOUNT.						
			in item 5a. above f on the complaint:	c. [ ]	Cross-complaina	ant named in iter nant on the cross	
	(1) [X] D (2) [ ] Pro- intered rate of (3) [ ] At (4) [X] Co	amages ejudgment est at the annual of 0.00% torney's Fees osts her (specify):	\$11447.03 \$0.00 \$0.00 \$0.00 \$0.00 \$11447.03		(1) [ ] Damages (2) [ ] Prejudgm interest at the annual rate o% (3) [ ] Attorney' (4) [ ] Costs (5) [ ] Other (sp	sent \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1
		aintiff to receive Defendant name [ ] Defendant na     recover cos [ ] and atto	d in 5b amed in item 5b to ts \$	d. [ ]	[ ] Cross rec item 5d	nt to receive noth efendant named over defendant r I to recover costs ttorney fees \$	in item 5d named in
7. [ ]	Other (specify	y):\$0.00					
Date:		Sherri R.	Carter Executive Officer /			L OFFICER	
Date:	11/29/2021			<b>√</b> ] Cle	rk, by	J. Choi	, Deputy
	ICE AL I		CLEDY	AC CEDE			
	[SEAL]	I certify that this	s is a true copy of the or		FICATE (optional nent on file in the c		
			Clerk, by				_, Deputy

| Page 2 of 2 | JUD-100 [Rev. January 1, 2002] | JUDGMENT

Arizona Corporation Commission Description 298-3023 Filed 11/19/24 Entered 11/19/24 16:53:28 Description Commission Description Commission Description Commission Description 25072615239986 Page 197 of 227

DO NOT WRITE ABOVE THIS LINE; RESERVED FOR ACC USE ONLY.

			AR	TICLES (	OF AM	ENDMEN1	Г		
				Read the I	nstructio	ons <u>L015i</u>			
1.	ENTITY NAME - give the exact name of the LLC as currently shown in A.C.C. records:								
	Hor	nor Enterprise Funding,	LLC						
		THE BOX NEXT TO ETE THE REQUEST					i.		
2.		ENTITY NAME CHANGE	E – type or p	rint the exact	NEW nam	e of the LLC in	the space	below:	
3.	MEMBERS CHANGE (CHANGE IN MEMBERS) – <u>see Instructions L015i</u> – Use one block per person - To REMOVE a member - list the name only of the member being removed and check "Remove member." To ADD a member - list the name and address of the member being added and check "Add member." To CHANGE ADDRESS only - list the name and NEW address and check "Address change." To CHANGE NAME of existing member - list the current name, then the NEW name, and check "Name change." If more space is needed, complete and attach the <u>Amendment Attachment for Member form L044</u> .							mber." per." ime change."	
1.	Gill				2.				
		ntly shown in ACC records			Name curre	ently shown in ACC	records		
					Kirk Gill Trust				
	Name RFF	elicity Place			NEW Name 4651 E Coachlight Lane				
	ess 1	Cherry 1 lace			Address 1				
		×							
		optional)	AZ	85750	Address 2			AZ	85718
Tuc			State or	Zip	Tucson			State or	Zip
		UNITED STATES	Province		UNITED STATES Province				
Cour					Country		<b>-</b>		
닏		ress change			☐ Address change ☑ Add member				
Ш	Nam	ne change 🗹 Remov	e member		∐ Nar	me change	Rem	ove membe	r 
3.					4.				
Nam	e currer	ntly shown in ACC records			Name curr	ently shown in ACC	records		
NEW Name			NEW Name						
Addr	ess 1				Address 1				
Addr	ess 2 (d	optional)			Address 2	(optional)			
City			State or Province	Zip	City [			State or Province	Zip
Cour	ntry				Country				
	Addr	ress change	ember		☐ Add	dress change	Add	member	
		_	e member			me change	Rem	ove member	

L015.009 Rev: 5/2020 Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 198 of 227

MANAGERS CHANGE (CHANGE IN MANAGERS) - Use one block per person -To REMOVE a manager - list the name only of the manager being removed and check "Remove manager."

To ADD a manager - list the name and address of the manager being added and check "Add manager." To CHANGE ADDRESS only - list the name and NEW address and check "Address change." To CHANGE NAME of existing manager - list the current name, then the NEW name, and check "Name change." If more space is needed, complete and attach the Amendment Attachment for Managers form L043. 1. Name currently shown in ACC records Name currently shown in ACC records Kirk Gill **NEW Name NEW Name** Address 1 Address 1 4651 E Coachlight Lane Address 2 (optional) Address 2 (optional) AZ85718 Tucson State or City Zip City Province Province UNITED STATES Country Country ✓ Add manager Address change Add manager Address change Name change Remove manager Name change Remove manager MANAGEMENT STRUCTURE CHANGE - see Instructions L015i - check only one box below and follow instructions. All persons will be listed on the appropriate Attachment form. CHANGING TO MANAGER-MANAGED LLC - complete and attach the Manager Structure Attachment form L040. The filing will be rejected if it is submitted without the attachment. CHANGING TO MEMBER-MANAGED LLC - complete and attach the Member Structure Attachment form L041. The filing will be rejected if it is submitted without the attachment. STATUTORY AGENT CHANGE - NEW AGENT APPOINTED - see Instructions L015i: REQUIRED - give the name (can be an individual 6.2 REOUIRED - mailing address in Arizona of NEW or an entity) and physical or street address Statutory Agent, if different from street address (can be a P.O. Box): (not a P.O. Box) in Arizona of the NEW statutory Check box if same as street address. agent: Statutory Agent Name (required) Attention (optional) Attention (optional) Address 1 Address 1 Address 2 (optional) Address 2 (optional) State Zip City Zip City REQUIRED - the Statutory Agent Acceptance form M002 must be submitted along with these Articles of 6.3 Amendment.

7. STATUTORY AGENT and 7.2:	STATUTORY AGENT ADDRESS CHANGE - ADDRESS OF CURRENT STATUTORY AGENT - complete 7.1 and 7.2:							
7.1 NEW physical or st (not a P. O. Box) in A statutory agent:		7.2 NEW mailing address in Arizona of the existing statutory agent (can be a P.O. Box):						
Attention (optional)			Attention (optional)					
4651 E Coachlight Lane								
Address 1			Address 1					
Address 2(optional)	AZ	85718	Address 2 (optional)					
City Tucson	State	Zip	City	State	Zip			

Case 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24 Entered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 199 of 227

8.	$\checkmark$	PRINCIPAL ADDRESS CHANGE:						
	8.1	Is the NEW principal address the same as the street address of the statutory agent?						
		✓ Yes - go to number 9 and continue						
		No – go to number 8.2 and continue						
	8.2	If you answered "No" to number 8.1, give the <b>NEW principal address</b> (can be outside of Arizona and can be a P.O. Box.)						
		Attention (optional)						
		Address 1						
		Address 2 (optional)						
		Chi.						
		City State or Zip Province Country						
10.		Changing to a PROFESSIONAL LLC – number 10 must also be completed.  Changing to a NON-PROFESSIONAL LLC (professional LLC becoming a regular LLC).  PROFESSIONAL SERVICES CHANGE – describe the NEW type of professional services the professional LLC will render:  OTHER AMENDMENT – if an amendment was made that was not addressed by the check boxes on this form, then you must attach to these Articles of Amendment a complete copy of the LLC's written amendment.						
SIG	NATU	By checking the box marked "I accept" below, I acknowledge under penalty of law that this document together with any attachments is submitted in compliance with Arizona law.  I ACCEPT						
		W. L. C. III						
Sic	nature	Kirk Gill 07/24/2023  Printed Name Date (mm/dd/yy)						
_		ED – check only one and fill in the corresponding blank if signing for an entity:						
×	I a	m an <b>individual</b> authorized to sign this document.  I am signing on behalf of an <b>entity</b> that is authorized to sign this document.						
		a) as percent						

Expedited or Same Day/Next Day services are available for an additional fee – see Instructions or Cover sheet for prices.

Filing Fee: \$25.00 (regular processing)
All fees are nonrefundable - see Instructions.

Mail: Arizona Corporation Commission - Examination Section 1300 W. Washington St., Phoenix, Arizona 85007
Fax: 602-542-4100

Please be advised that A.C.C. forms reflect only the **minimum** provisions required by statute. You should seek private legal counsel for those matters that may pertain to the individual needs of your business. All documents filed with the Arizona Corporation Commission are **public record** and are open for public inspection. If you have questions after reading the Instructions, please call 602-542-3026 or (within Arizona only) 800-345-5819.

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DO NOT WRITE ABOVE THIS LINE; RESERVED FOR ACC USE ONLY.

### MANAGER STRUCTURE ATTACHMENT

1.	<b>ENTITY NAME</b> – give the exact name of the LLC (foreign LLCs – give name in domicile state or country):
	Honor Enterprise Funding, LLC

2. MANAGERS/MEMBERS - give the name and address of each and every manager and list all members who own 20% or more of the profits or capital of the LLC. Use one block per person. Check the appropriate box or boxes below each person listed. If more space is needed, use another Manager Structure Attachment form.

			-				
ı. Kirk Gill			z. Kirk	Gill Trust			
Name			Name				
4651 E Coachlight Lane			465	1 E Coachligh	t Land	e	
Address 1			Address	51			
1							
Address 2 (optional)			Address	2 (optional)		T T	T
Tucson	AZ	85718	Tucs	son		AZ	85718
City UNITED STATES	State or Province	Zip	City	UNITED STATES		State or Province	Zip
Country			Country	1			
✓ Manager	ber owning 20	% or more	□м	anager	<b>√</b> Mem	nber owning	20% or more
3.			4.				
Name			Name				
Address 1			Address	5 1			
Address 2 (optional)			Address	s 2 (optional)			
Address 2 (optional)			Address	s z (opcional)			
City	State or Province	Zip	City			State or Province	Zip
Country			Country	,			
☐ Manager ☐ Mem	ber owning 20	)% or more	□м	anager	Mem	nber owning	20% or more
5.			6.				
Name			Name				
Address 1			Address	s 1			
Address 2 (optional)	I	T	Address	s 2 (optional)		T	T
						l	
City	State or Province	Zip	City			State or Province	Zip
Country			Country	i			
Manager Mem	ber owning 20	)% or more	□м	anager	Mem	nber owning	20% or more

### **LLC - STATEMENT OF CHANGE**

### OF PRINCIPAL ADDRESS OR STATUTORY AGENT

### **ENTITY INFORMATION**

**ENTITY NAME:** HONOR ENTERPRISE FUNDING LLC

ENTITY ID: L22428170 ENTITY TYPE: Domestic LLC

### STATUTORY AGENT INFORMATION

**STATUTORY AGENT NAME:** KIRK GILL

**PHYSICAL ADDRESS:** 4651 East Coachlight Lane, TUCSON, AZ 85718 **MAILING ADDRESS:** 4651 E COACHLIGHT LANE, TUCSON, AZ 85718

PRINCIPAL ADDRESS

4651 E COACHLIGHT LANE, TUCSON, AZ 85718

### **SIGNATURES**

Statutory Agent: Kirk Gill - 01/24/2024

2004 WL 832137 (Ohio Dept.Comm.)

Department of Commerce, Division of Securities

State of Ohio

IN THE MATTER OF: KIRK J. GILL

Order No. 04-072 CRD Number 2291503 March 23, 2004

#### NOTICE OF INTENT TO DENY APPLICATION FOR SECURITIES SALESPERSON LICENSE

#### NOTICE OF OPPORTUNITY FOR HEARING

#### **DIVISION ORDER**

\*1 WHEREAS, the Ohio Division of Securities (hereinafter alternatively referred to as "Division") is charged with the responsibility for protecting investors and finds that this Order is necessary or appropriate in the public interest or for the protection of investors, and is consistent with the purposes fairly intended by the Ohio Securities Act, Revised Code Chapter 1707;

WHEREAS, the Division has reviewed the application for licensing as a securities salesperson in accordance with the Ohio Securities Act of Kirk J. Gill (hereinafter "Applicant") whose address is 4651 E. Coachlight Lane, Tucson, AZ 85718;

WHEREAS, on or about February 27, 2004, the Division received the securities salesperson license application of Applicant which had been filed pursuant to Revised Code section 1707.16 by the submission of a Form U-4 to the Central Registration Depository of the National Association of Securities Dealers Regulation, Inc. (NASDR);

WHEREAS, Applicant stated in the application described above that the dealer which employs or intends to employ Applicant is Citigroup Global Markets Inc., 333 W. 34 th St., 7 th floor, New York, NY 10001, an Ohiolicensed securities dealer;

### WHEREAS, the Division alleges as follows:

- (1) That on or about August 21, 2001, customer Richard W. Haskell, individually, and as trustee of Richard Haskell Trust, filed a complaint in arbitration with the NASD, Case No. 01-04254, alleging that Applicant committed fraud, was negligent, breached the account contract, effected trades in unsuitable securities and effected unnecessary trades to maximize commissions. On August 11, 2003, the matter was settled for \$15,000.00.
- (2) That on or about February 17, 2002, customers Robert and Susan Andreas filed a complaint in arbitration with the NASD, Case No. 02-00574, alleging that Applicant effected unsuitable trades in securities and churned the account. On October 27, 2003, the matter was settled for \$65,000.00.
- (3) That on or about March 5, 2002, customers Albert and Elsie Baker filed a complaint in arbitration with the NASD, Case No. 02-01108, alleging that Applicant effected unsuitable trades in securities and churned the account. On January 7, 2003, the matter was settled for \$71,896.00.

- (4) That on or about April 30, 2002, customer Charles R. McClelland filed a complaint in arbitration with the NASD, Case No. 02-01989, alleging that Applicant effected unsuitable trades in securities and churned the account. The customer alleged damages of \$122,954.00. The matter is pending.
- (5) That on or about May 6, 2002, customers Mark P. Wood and Loretta A. Wood filed a complaint in arbitration with the NASD, Case No. 02-02023, alleging that Applicant effected unsuitable trades in securities and churned the account. The customer alleged damages of \$238,846.63. The matter is pending.
- \*2 (6) That on or about November 18, 2002, customer Bobbie McClean filed a complaint in arbitration with the NASD, Case No. 02-06770, alleging that Applicant breached the account contract, effected trades in unsuitable securities, effected unauthorized trades, and breached his fiduciary duty. The customer alleged damages of \$500,000.00. The matter is pending.
- (7) That on or about October 4, 2002, customer Ella Mary Lewis, filed a complaint in arbitration with the NASD, Case No. 02-05525, alleging that Applicant effected trades in unsuitable securities. On December 23, 2003, the matter was settled for \$16,500.00.

WHEREAS, based on the foregoing, the Division alleges that Applicant is not of "good business repute" as that term is used in Administrative Code Rule 1301:6-3-19(D)(9) and Revised Code section 1707.19(A)(1).

THEREFORE, IT IS ORDERED THAT, pursuant to Revised Code Chapter 119, Applicant is hereby notified that thirty (30) days from the date of mailing of this Notice, the Division, pursuant to Revised Code section 1707.19(A) (1), intends to issue an Order to DENY the application for an Ohio securities salesperson license of Applicant.

FURTHER, IT IS ORDERED THAT, pursuant to Revised Code Chapter 119, Applicant is hereby notified that Applicant is entitled to an adjudicative hearing. If Applicant wishes to request such hearing, the request must be made in writing and must be received in the offices of the Division within thirty (30) days from the date of mailing of this Notice. At the hearing, Applicant and the Division may appear in person, by their attorneys, or together with their attorneys, or they may present their position, arguments, or contentions in writing, and that at the hearing they may present evidence and examine witnesses appearing for and against them.

FURTHER, IT IS ORDERED THAT, if no hearing is timely requested, an Order to DENY the application for an Ohio securities salesperson license of Applicant may be issued.

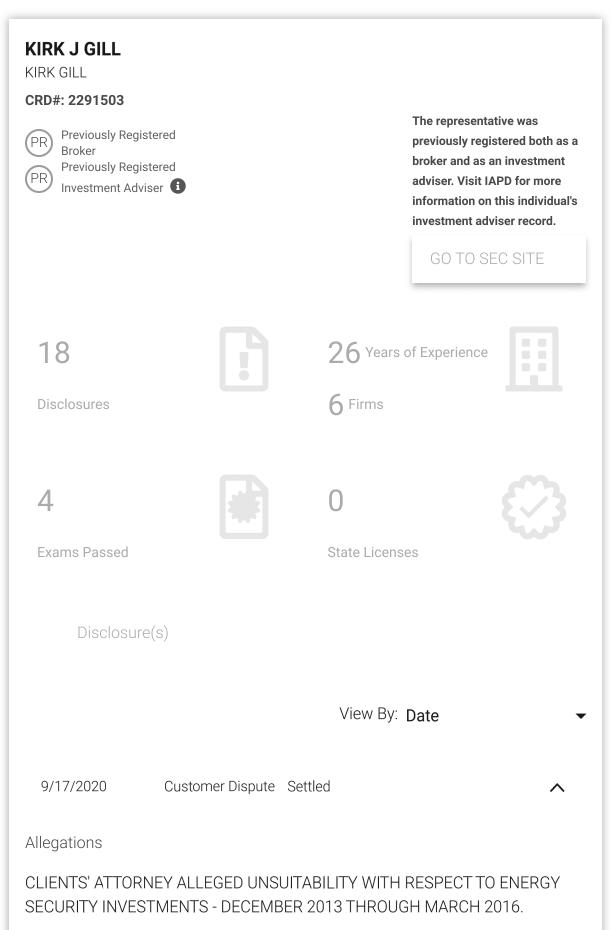
WITNESS MY HAND AND THE OFFICIAL SEAL OF THIS DIVISION at Columbus, Ohio this 23 day of March, A.D. 2004.

Deborah L. Dye Joyce Commissioner of Securities

2004 WL 832137 (Ohio Dept.Comm.)

**End of Document** 

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11/1/24, 11: @asse 2:24-bk-12079-VZ Doc 298-3 Filed & & Log & Brace tentered 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 208 of 227 \$238,316.00 Settlement Amount \$125,000.00 3/21/2019 Customer Dispute Settled Allegations CLAIMANTS ALLEGE, INTER ALIA, UNSUITABILITY WITH RESPECT TO INVESTMENTS - DEC 2013 - MAR 2016 Damage Amount Requested \$500,000.00 Settlement Amount \$130,000.00 Customer Dispute Settled 1/11/2019 Allegations Claimants allege, inter alia, unsuitability with respect to energy stocks - 2011 to 2016 Settlement Amount \$14,999.00 **Employment** 5/23/2018 Separation After Allegations Firm Name FIRST FINANCIAL EQUITY CORPORATION Termination Type Permitted to Resign

Allegations

Failure to agree to stipulations in updated heightened supervision plan.

**Broker Comment** 

The permitted to resign posted on my Form U-5 by First Financial Equity Corporation (FFEC) is false. I voluntarily resigned prior to any discussion of me separating from the company. The disclosure about not agreeing to the stipulation of a revamped heightened supervision plan are false as well. I had been on heightened supervision for 21 months without issue or written reprimand. The heightened supervision plan was supposed to end on June 30, 2018. On April 5, 2018, I was presented with an updated supervision plan, even though I had no infractions with the previous plan. The new plan introduced the idea of using fee-based accounts which had a higher turnover than 2% on a commission basis, limited the combination of preferred, fixed index annuities and non-traded products to 25%. In an attempt to honor the new heightened supervision plan, I called me customers and offered them fee-based accounts. Out of approximately 21 clients, three returned letters opting not to go into a feebased account. These people were then called by firm management who pressured the clients to switch to fee-based accounts. I expressed concern about the use of these types of tactics. Contrary to what FFEC states, I may have asked for changes in the updated plan, but in no way did I say that I would not execute it. However, after the pressuring of some of my clients by the firm to establish fee-based accounts, I simply had enough and resigned. On April 23, 2018, I went to meet with firm management. Prior to the meeting, I left a resignation letter in the office because I was fed up with the inaccurate information, the mistreatment of my clients and the discriminatory and harassing treatment I received. That is what factually happened and I believe that FFEC should be forced to remove the inaccurate information noted on my Form U-5 Termination Notice.

5/21/2018 Customer Dispute Settled

Allegations

Client verbally complained about an over concentration in oil stocks. January, 2014 to January, 2018.

Settlement Amount

\$38,265.71

3/15/2018 Customer Dispute Settled

^

Allegations

CLAIMANT ALLEGED, INTER ALIA, UNSUITABILITY OF INVESTMENTS- 2009 TO 2016

Damage Amount Requested

\$901,369.78

Settlement Amount

\$185,000.00

8/2/2017

Customer Dispute Settled

 $\wedge$ 

Allegations

Claimants alleged, inter alia, unsuitability with respect to investments 2013-2016

Damage Amount Requested

\$2,000,000.00

Settlement Amount

\$275,000.00

**Broker Comment** 

Mr. Gill was not personally named in this matter. Recommendations reflected Morgan Stanley's research and strategy. Mr. Gill has not been involved in any aspect of the legal proceedings.

3/1/2017

Customer Dispute Settled

 $\wedge$ 

Allegations

Claimants allege, inter alia, unsuitability with respect to investments in accounts - 2010-2016

Damage Amount Requested

Settlement Amount

\$150,000.00

**Broker Comment** 

Mr. Gill was not personally named in this matter and did not contribute to the settlement. Recommendations reflected Morgan Stanley's research and strategy. Mr. Gill was not involved in any aspect of the legal proceedings and is pursuing expungement on the matter.

8/3/2016 Customer Dispute Settled .

Allegations

Claimants allege, inter alia, that from August 2011 to November 2015 the FA made unsuitable recommendations in the client's account.

Damage Amount Requested

\$500,000.00

Settlement Amount

\$195,000.00

**Broker Comment** 

Mr. Gill was not personally named in this matter. Recommendations reflected Morgan Stanley's research and strategy. Mr. Gill has not been involved in any aspect of the legal proceedings.

7/13/2016 Customer Dispute Settled

Allegations

Claimants alleged, inter alia, unsuitability with respect to investments in accounts - 2014-2015.

Settlement Amount

\$50,000.00

11/1/24, 11:**©asse** 2:24-bk-12079-VZ Doc 298-3 Filed வக்/பூதி முக்கு 11/19/24 16:53:28 Description Page 212 of 227

Mr. Gill was not personally named in this matter. Recommendations reflected Morgan Stanley's research and strategy. Mr. Gill was not involved in any aspect of the legal proceeding and did not contribute to the settlement. Mr. Gill is pursuing this matter be expunged from his record.

7/8/2016 Customer Dispute Settled

Allegations

Claimant alleged, inter alia, unsuitability with respect to investments in accounts - 2014-2015.

Settlement Amount

\$32,500.00

**Broker Comment** 

Mr. Gill was not personally named in this matter. Recommendations reflected Morgan Stanley's research and strategy. Mr. Gill has not been involved in any aspect of the legal proceedings.

6/27/2016 Customer Dispute Settled

Allegations

Claimant alleges, inter alia, that from 2010 to March 2016 the FA unsuitably over-concentrated her investments in high risk equities.

Damage Amount Requested

\$361,536.88

Settlement Amount

\$21,000.00

**Broker Comment** 

Mr. Gill was not personally named in this matter. Recommendations reflected Morgan Stanley's research and strategy. Mr. Gill was not involved in any aspect

11/1/24, 11: 10 asse 2:24-bk-12079-VZ Doc 298-3 Filed 11/19/24- Brokentered 11/19/24 16:53:28 Desc

of the legal proceeding and did not contribute to the settlement. Mr. Gill is pursuing this matter be expunged from his record.

7/2/2015 Customer Dispute Settled

Allegations

CLAIMANT ALLEGES, INTER ALIA, THAT FROM 2007 TO NOVEMBER 2014 THE FA MADE UNSUITABLE RECOMMENDATIONS IN THE CLIENT'S ACCOUNT.

Damage Amount Requested

\$300,000.00

Settlement Amount

\$80,000.00

**Broker Comment** 

Broker followed firm approved strategy. Broker was dismissed from all claims and contributed zero to settlement.

1/7/2014 Customer Dispute Denied

Allegations

CLIENT ALLEGED THAT THE INVESTMENTS PURCHASED IN THEIR MANAGED ACCOUNT DID NOT MEET THEIR STATED INVESTMENT OBJECTIVES. 2012. DAMAGES UNSPECIFIED.

12/18/2013 Customer Dispute Denied

Allegations

CLIENT ALLEGES FA DID NOT ADVISE HIM THAT THE STOCKS HE WAS RECOMMENDING WERE VOLATILE AND HIGH RISK INVESTMENTS - MARCH 2013 - DECEMBER 2013.

Damage Amount Requested

\$100,000.00

11/1/24. 11: @asse 2:24-bk-12079-VZ Doc 298-3 Filed @ukkl.05/24 Brackstaged 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 214 of 227

REPRESENTATIVE DENIES ALL CLAIMS MADE BY THE CLIENT. A REVIEW OF THE CLIENT'S PORTFOLIO REFLECTS AN OVERALL GAIN DURING THE TIME. PERIOD REPRESENTATIVE SERVED AS FINANCIAL ADVISOR.

8/8/2012 Customer Dispute Settled

Allegations

CLAIMANT ALLEGES, INTER ALIA, THAT IN 2011 THE FINANCIAL ADVISOR MADE UNSUITABLE INVESTMENTS IN HIS ACCOUNTS.

Damage Amount Requested

\$85,000.00

Settlement Amount

\$10,000.00

**Broker Comment** 

THE ALLEGATIONS MADE IN THE STATEMENT OF CLAIM ARE WITHOUT MERIT AND, IN FACT, ARE FALSE. INDEED, THE DOCUMENTS CLAIMANT HIMSELF ATTACHED TO THE STATEMENT OF CLAIM EVIDENCE THAT MR. GILL KNEW HIS CUSTOMER, MADE RECOMMENDATIONS BASED ON INFORMATION PROVIDED BY CLAIMANT, AND THAT CLAIMANT WAS WELL-INFORMED ABOUT ALL INVESTMENTS RECOMMENDED. CLAIMANT MADE AN INFORMED DECISION TO INVEST. MR. GILL STRENUOUSLY DENIES ALL ALLEGATIONS AND WILL PURSUE ALL ACTIONS NECESSARY TO CLEAR THE MATTER FROM HIS RECORD.

11/18/2002 Customer Dispute Settled

Allegations

ALLEGED UNSUITABLE AND UNAUTHORIZED INVESTMENTS, BREACH OF CONTRACT AND BREACH OF FIDUCIARY DUTY BTWN. 3/01-9/02.

Damage Amount Requested

\$500,000.00

\$30,000.00

**Broker Comment** 

THE CLAIM AGAINST THE BROKER WAS DISMISSED. CLAIMANT, [REDACTED] SIGNED AN AFFIDAVIT ON FEB. 27, 2004 IN WHICH SHE STATED THAT THE LOSSES SHE SUSTAINED WERE NOT THE FAULT OF KIRK GILL AND HE DID NOT ENGAGE IN ANY IMPROPER OR ILLEGAL CONDUCT. SHE THEN DIRECTED HER ATTORNEYS TO DISMISS WITH PREJUDICE ALL CLAIMS AGAINST GILL AND STIPULATE THAT ALL SUCH INFORMATION BE EXPUNGED, DELETED AND ERASED FROM HIS CRD RECORD.

7/22/2002 Customer Dispute Denied

Allegations

CLIENT ALLEGED MISREPRESENTATION, BREACH OF FIDUCIARY DUTY, AND THAT THE INVESTMENTS PURCHASED IN HIS ACCOUNT WERE UNSUITABLE. ALLEGED DAMAGES UNSPECIFIED. 2001-2002

**Broker Comment** 

NO MONENARY RELEIF REQUESTED. CLAIM DENIED

Examination(s)

### **■** State Securities Law Exam

Series 65 - Uniform Investment Adviser Dec 14, 1999
Law Examination

Series 63 - Uniform Securities Agent Nov 20, 1992

State Law Examination

### **■** General Industry/Products Exam

SIE - Securities Industry Essentials Oct 1, 2018

Examination

Series 7 - General Securities Dec 9, 1992

Representative Examination

В

Additional information including this individual's professional designations is available in the Detailed Report.

**/** 

Previous Registration(s)

		Name	Location
В	06/06/2018 - 08/20/2019	TAYLOR CAPITAL MANAGEMENT INC. (CRD#:43559)	Tucson, AZ
В	03/31/2016 - 06/07/2018	FIRST FINANCIAL EQUITY CORPORATION (CRD#:16507)	Tucson, AZ
В	06/01/2009 - 04/14/2016	MORGAN STANLEY (CRD#:149777)	TUCSON, AZ
В	07/13/2007 - 06/01/2009	MORGAN STANLEY & CO. INCORPORATED (CRD#:8209)	TUCSON, AZ
В	02/20/2001 - 07/30/2007	CITIGROUP GLOBAL MARKETS INC. (CRD#:7059)	TUCSON, AZ
В	12/11/1992 - 03/08/2001	MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED (CRD#:7691)	NEW YORK, NY

### **Additional Information**

The content of this summary, and the available detailed report, is governed by FINRA Rule 8312, and is primarily based on information filed on uniform registration forms. Rule 8312, amendments to the rule and notices related to U.S. Securities and Exchange Commission approval orders, can be viewed here.

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Click here for more information about how to check on an investment professional.

11/1/24, 11:**©a.se** 2:24-bk-12079-VZ Doc 298-3 Filed វេរាស្ត្រ/ខ្លែង Brace 11/19/24 16:53:28 Desc Declaration of Gerrick Warrington Page 217 of 227

B Broker

A brokerage firm, also called a broker-dealer, is in the business of buying and selling securities – stocks, bonds, mutual funds, and certain other investment products – on behalf of its customer (as broker), for its own bank (dealer), or both.

Individuals who work for broker-dealers - the sales personnel are commonly referred to as brokers.

#### IA Investment Adviser

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### Previously Registered

A Previously Registered broker or brokerage firm is not currently licensed to act as a broker (buying and selling securities on behalf of customers) or as an investment adviser (providing advice about securities to clients). They may still be able to offer other investment-related services if properly licensed to do so. Click here to learn more.



### Disclosures

Disclosures can be customer complaints or arbitrations, regulatory actions, employment terminations, bankruptcy filings and certain civil or criminal proceedings that they were a part of.

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Privacy | Legal 💆 in

Gerrick M. Warrington, Esq SBN: 294890 Claration of Gerrick FRANDZEL ROBINS BLOOM & CSATO LOS Angeles, CA 90017	illed 11/19/24
TELEPHONE NO.: (323) 852-1000 FA E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name):	XX NO.:
UNITED STATES BANKRUPTCY COURT FOR THE CENTRAL I STREET ADDRESS: 255 E. TEMPLE ST.	DISTRICT OF CALIFORNIA
CITY AND ZIP CODE: LOS ANGELES, CA 90012	REFERENCE NUMBER: 101415-0002
	101410-0002
Plaintiff(s): In re SEATON INVESTMENTS, LLC, et al.  Defendant(s):	
DECLARATION OF DILIGENCE	CASE NUMBER: 2:24-bk-12079-VZ

I received the within assignment for filing and/or service on November 5, 2024 and that after due and diligent effort I have not been able to serve said person. I attempted service on this servee on the following dates and times:

Servee: Zenith Healthcare Management, LLC

Documents: SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS OR TO PERMITINSPECTION

OF PREMISES IN A BANKRUPTCY CASE (OR ADVERSARY PROCEEDING)

Address: 5030 Campus Drive

**Newport Beach, CA 92660-2102** 

As enumerated below:

**11/7/2024 -- 3:41 PM** 5030 Campus Drive

Business Newport Beach, CA 92660-2102

Company at address is the Horowitz Group. Per office administrator Jennifer, she has never heard of subject company or agent. They are the only company located in this building.



County: Orange
Registration No.: 1530
Nationwide Legal, LLC
1609 James M Wood Blvd.
Los Angeles, CA 90015

I declare under penalty of perjury under the laws of the State of California that I am over the age of 18, not a party to this action and that the foregoing is true and correct. This declaration was executed on 11/15/2024.

Signature:

Frank Harrigan

ATTORNEY OR F企為SET免224時紀至2079年 Purn即0元29893   Gerrick M. Warrington,Esq SBN: 294899   Claration of Gerric FRANDZEL ROBINS BLOOM & CSATO 1000 Wilshire Boulevard, 19th Floor Los Angeles, CA 90017	Filed 11/19/24 Entere k Warrington Page 2	ed 11/19/24
TELEPHONE NO.: (323) 852-1000  E-MAIL ADDRESS (Optional):  ATTORNEY FOR (Name):	FAX NO.:	
UNITED STATES BANKRUPTCY COURT FOR THE CENTRAL	DISTRICT OF CALIFORNIA	
STREET ADDRESS: <b>255 E. TEMPLE ST.</b>		
CITY AND ZIP CODE: LOS ANGELES, CA 90012		REFERENCE NUMBER:
		101415-0002
Plaintiff(s): In re SEATON INVESTMENTS, LLC, et al.  Defendant(s):		
DECLARATION OF DILIGENCE		CASE NUMBER: 2:24-bk-12079-VZ

I received the within assignment for filing and/or service on November 5, 2024 and that after due and diligent effort I have not been able to serve said person. I attempted service on this servee on the following dates and times:

Servee: The DMB Fund

Documents: SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS OR TO PERMITINSPECTION

OF PREMISES IN A BANKRUPTCY CASE (OR ADVERSARY PROCEEDING)

Address: 2350 Castle Heights Ave
Los Angeles, CA 90034-1050

#### As enumerated below:

**11/8/2024 -- 2:04 PM** 2350 Castle Heights Ave Los **Home** Angeles, CA 90034-1050

Per David, Judy Cox does not live here.

11/9/2024 -- 10:18 AM2350 Castle Heights Ave LosHomeAngeles, CA 90034-1050Cars in driveway, rang doorbell nobody answered

**11/13/2024 -- 2:14 PM** 2350 Castle Heights Ave Los Angeles, CA 90034-1050

Same car in driveway. Rang doorbell several times, but nobody answered.

N.

County: Los Angeles
Registration No.: 3267
Nationwide Legal, LLC
1609 James M Wood Blvd.
Los Angeles, CA 90015

I declare under penalty of perjury under the laws of the State of California that I am over the age of 18, not a party to this action and that the foregoing is true and correct. This declaration was executed on 11/15/2024.

Signature:\_

Alfredo Ricardo Paz

ATTORNEY OR F公司SET 2012 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Filed 11/19/24 Entere k Warrington Page 2	ed 11/19/2年 <b>亚6:93:28</b> 0NLYDesc 23 of 227
TELEPHONE NO.: (323) 852-1000 E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name):	FAX NO.:	
UNITED STATES BANKRUPTCY COURT FOR THE CENTRAL	DISTRICT OF CALIFORNIA	
STREET ADDRESS: <b>255 E. TEMPLE ST.</b>		
CITY AND ZIP CODE: LOS ANGELES, CA 90012		REFERENCE NUMBER:
		101415-0002
Plaintiff(s): In re SEATON INVESTMENTS, LLC, et al.,		
Defendant(s):		
DECLARATION OF DILIGENCE	:	CASE NUMBER: 2:24-bk-12079-VZ

I received the within assignment for filing and/or service on November 5, 2024 and that after due and diligent effort I have not been able to serve said person. I attempted service on this servee on the following dates and times:

Servee: Levay Group LLC

Documents: SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS OR TO PERMITINSPECTION

OF PREMISES IN A BANKRUPTCY CASE (OR ADVERSARY PROCEEDING)

Address: 1702 S Robertson Blvd # 261 Los Angeles, CA 90035

#### As enumerated below:

**11/6/2024 -- 10:37 AM** 1702 S Robertson Blvd # 261 **Business** Los Angeles, CA 90035

Arrived at address which appears to be a small PO box shipping store. The sign in the door stated it was open at 10:30. However it was past 10:30 at the time of arrival and the business was still closed.

**11/7/2024 -- 2:40 PM** 1702 S Robertson Blvd # 261 **Business** Los Angeles, CA 90035

Returned to business which is open this time and spoke to the employee who informed me that in fact PO box number 261 is being used by Ahron Stock.

11/11/2024 -- 10:35 AM 8759 Airdrome St

Home Los Angeles, CA 900353415

Arriveed at the property and knocked onn the front door loudly several times and rang the doorbell. The intercom was answered by a female's voice stating the individual we are attempting to serve used to live at this address. However no longer resides at this address and she has no further information on him.

N.

County: Los Angeles
Registration No.: 2018032404
Nationwide Legal, LLC
1609 James M Wood Blvd.
Los Angeles, CA 90015

I declare under penalty of perjury under the laws of the State of California that I am over the age of 18, not a party to this action and that the foregoing is true and correct. This declaration was executed on 11/15/2024.

Signature:

**Robert Brooks** 

ATTORNEY OR F公司公司 224时 24 1 1 1 1 1 2 2 2 2 2 2 3 2 3 2 3 2 3 3 2 3 3 3 3	Filed 11/19/24 Enter ick Warrington Page 2	ed 11/19/24
TELEPHONE NO.: (323) 852-1000 E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name):	FAX NO.:	
USBC/LOS ANGELES/CENTRAL DISTRICT OF CA		
STREET ADDRESS: <b>255 E. TEMPLE ST.</b>		
CITY AND ZIP CODE: LOS ANGELES, CA 90012		REFERENCE NUMBER:
		101415-0002
Plaintiff(s): In re SEATON INVESTMENTS, LLC, et al.  Defendant(s):		
DECLARATION OF DILIGENO	E	CASE NUMBER: 2:24-bk-12079-VZ

I received the within assignment for filing and/or service on November 5, 2024 and that after due and diligent effort I have not been able to serve said person. I attempted service on this servee on the following dates and times:

Servee: Honor Enterprise Funding LLC

Documents: SUBPOENA TO PRODUCE DOCUMENTS, INFORMATION, OR OBJECTS OR TO PERMITINSPECTION

OF PREMISES IN A BANKRUPTCY CASE (OR ADVERSARY PROCEEDING)

Address: 4651 E Coachlight Ln Tucson, AZ 857186934

#### As enumerated below:

**11/6/2024 -- 3:56 PM** 4651 E Coachlight Ln Tucson, AZ 857186934 No answer at the door. There were dogs barking inside.

**11/7/2024 -- 7:15 PM** 4651 E Coachlight Ln **Home** Tucson, AZ 857186934 LIGHTS ON, DOG BARKING, NO ANSWER.



County: Pima
Registration No.: PM528
Nationwide Legal, LLC
1609 James M Wood Blvd.
Los Angeles, CA 90015

I declare under penalty of perjury under the laws of the State of California that I am over the age of 18, not a party to this action and that the foregoing is true and correct. This declaration was executed on 11/15/2024.

Signature: Nai RCM

**Darin Clark** 

State



# STATE OF CALIFORNIA Office of the Secretary of State STATEMENT OF INFORMATION CA NONPROFIT CORPORATION

California Secretary of State 1500 11th Street Sacramento, California 95814 (916) 657-5448 For Office Use Only

-FILED-

File No.: BA20241959031 Date Filed: 11/5/2024

Entity Details					
Corporation Name	prporation Name THE DMB FU		B FUND	FUND	
Entity No.	ntity No. 2914756				
Formed In		CALIFOR	CALIFORNIA		
Street Address of California Princ	ipal Office of Corporation				_
Street Address of California Office			2350 CASTLE HEIGHTS AVENUE LOS ANGELES, CA 90034		
Mailing Address of Corporation					_
Mailing Address			2350 CASTLE HEIGHTS AVENUE		
		LOS ANO	LOS ANGELES, CA 90034		
Attention					
Officers					
Officer Name	Officer Address	S	Position(s)		
Judy Cox	2350 Castle Heights Avenue Los Angeles, CA 90034		Secretary, Chief Financial Officer		
+ Steve Gold	36501 WINDTREE CIRCLE PALMDALE, CA 93550		Chief Executive Officer		
The entity's bylaws a	Illow the CEO (President) to be	e the Secretary or	CFO (Treasurer).		
Officer Name			Position	Stated Position	7
Officer Name	Officer Addre		1 03111011	Stated F Ostron	1
L		None Entered			J
Agent for Service of Process Agent Name Agent Address		JUDY CC 2350 CA:	OX STLE HEIGHTS AV	/ENUE	
	LOS ANGELES, CA 90034				
Email Notifications Opt-in Email Notifications	3	Yes, I opt	-in to receive entity	r notifications via email.	
Electronic Signature					
By signing, I affirm th	nat the information herein is tru	ue and correct and	that I am authorize	d by California law to sign.	
Steve Gold	11/05/2024				
Signature Date		Date			